

Maclean's

WILL BEN
JOHNSON GO
FOR GOLD AGAIN?

TWO FACES OF ISRAEL



Why The Nation Embraces
A Flood Of Soviet Jews, But
Rejects The
Claims Of The





Underextension/ourselves.

lik steering AM/FM cassette stereo, plus many more.

In a world where the price of quality is usually an over extended credit line, Jetta happily remains the opposite. As do



Revised: 10/11/2019; suggested changes: a table of data is not well aligned to print under 2 days ago. It is a PDF file. Download status: 10/11/2019 10:11:46 AM. Status: 10/11/2019 10:11:46 AM.

CONTENTS

4 EDITORIAL

6 LETTERS/PASSAGES

8 OPENING NOTES

Lacien Bonnard won cash and sympathy; P.E.I. takes the (square) point; England's glory land in the money; Ottawa gets the (long) cry over the screen; Las Vegas lobbies for a tax reform; no curtain calls for Brian Mulroney; New Brunswick suffers an identity crisis.

11 COLUMN/CHARLES GORDON

12 CANADA

Ottawa appoints an activist to head the Supreme Court.

20 WORLD

Scandal clouds the Argentine president's anniversary; the White House unveils a new free trade strategy; Israeli Maron's trial exposes lives of greed and opulence.

32 BUSINESS

The Reichmann gamble on their \$6-billion European showpiece, Century West, Thomas Ross returns to his Czech roots.

37 BUSINESS WATCH/PETER C. NEWMAN

38 PEOPLE

39 JUSTICE

Officials study new evidence that could free a man serving a life sentence.

40 LIVING

Murray Koffler's Irish King Ranch plans to rival the best ones.

41 SPORTS WATCH/TRENT FRATNE

42 FILMS

Tim Cruise spins his wheels; the big screen finally acknowledges that AIDS exists.

43 BOOKS

Scott Turow achieves another best-seller.

44 FOTHERINGHAM

COVER

TWO FACES OF ISRAEL

The massive influx of Soviet Jewish Israelis is changing the face of the Middle East. Arabs warn that it threatens to end the peace process. But Israelis say that the exodus, caused by growing anti-Semitism and an economic crisis in the Soviet Union, is a dramatic confirmation of the reason for their country's existence: to serve as a refuge for persecuted Jews from around the world. — 24



CANADA

DIVIDED LOYALTIES

Welcomed in Alberta but officially rebuffed by Hull, Que., Queen Elizabeth visited Canada and found a nation deeply divided by the death of the Meach Lake accord. Meanwhile, Ottawa announced a flurry of initiatives in an attempt to divert attention from post-Meach defections by Quebec MPs. — 12



CANADA

ANOTHER RACE FOR GOLD?

Last week, Ben Johnson's chances of making a comeback improved dramatically with the release of the Dublin report on the use of performance-enhancing drugs by amateur athletes. But although the report left Johnson evidently optimistic about his future, others reacted bitterly to its contents. — 18



THERE WAS A TIME WHEN YOU COULDN'T GET A BUSINESS LOAN DRESSED LIKE THIS.

Remember when a suit and tie used to be a prerequisite for independent business loan candidates? A lot of fresh ideas were lost in the process.

Which is why, when you come to CIBC today, you'll find a bank that's just as forward-thinking as you are. And the people to go with it.

So whether you're looking for a start-up loan, or expert advice on

everything from cash management to payroll services, we're ready to help. And we're ready to put years of independent business experience to work for you.

Because at CIBC, who brings in the big ideas isn't what matters. It's what we can do to help.

For a more in-depth outline of the CIBC advantage, just call

1-800-465-CIBC. Better yet, stop in at your nearest branch and pick up your free copy of "FINANCING AN INDEPENDENT BUSINESS", or "FRANCHISE FINANCING".



BUSINESS
CLASS

We work for your business.

OPENING NOTES

Leslie Jones gets her man, New Brunswick has an identity crisis, and Lucien Bouchard's coffers swell

OPTIONS FOR QUEBEC

Despite reports to the contrary, Ottawa insiders are speculating that plans are under way for a new Quebec political bloc led by former Tory cabinet minister Lucien Bouchard. Indeed, a number of the Quebec media said that the longtime environment minister is "being recruited in Quebec like he's the Pope." Already, there are eight defectors in the House of Commons. They are Tories Bouchard, François Gagné, Gilbert Charbonneau, Louis Plamondon, Benoît Tremblay and Mike Laidlaw, and Liberals Jean Lapierre and Gilles Bischoff, who said that he will leave but has not made it official. Twelve members are needed for a group to qualify as a political party. Gagné, for one, has identified Bouchard as "a natural leader." And reports suggest that so-called sympathy donations are pouring into Bouchard's riding office. Marcelle Gaudreault, who is in charge of the office's finances, declined to say how much, but she said that a book account has been opened and the donations are "coming in a big way." Is someone saving for a rainy day?

Bouchard collecting money for the future



CLIFFORD KAPLAN

A place by any other name

Recent actions by Canada's natives have threatened to change the face of the Harper and his colleagues were promoting the Manitoba legislature from redesigning the Moose Lake second, John Joe Sark, a Micmac from Prince Edward Island, was mounting his own geographic campaign to alter the country's geographical names. Sark was concerned about Square Point, near the Charlottetown harbor. Said Sark, who urged the provincial government to change the name: "Square is an insulting, non-Indian, Western word which means 'where.' It is a derogatory term to all women—but it is particularly derogatory to Indian women." Provincial officials have undertaken to

rename the point. Next, Sark wants the offending word removed from school texts. Also a point for consideration.



JOHN JOE SARK

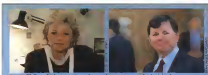
Sark lobbying to alter a name on a map

LORDSHIPS FOR SALE

Britain's cash-strapped peers are selling their birthrights to pay the bills. For up to \$300,000, commoners can acquire such titles as "the lord of the manor of the Hundred of Porchester." However, purchasers get neither land nor membership in the nobility, just a bill of sale. None of which seems to have made a difference to Manfred Holtzman from Niagara, Ont., near Ottawa, who bought the manor of Carbery in County Cork, Ireland, from the Earl of Shannon. Next on his list is the barony of Wester Kness in Scotland. What price glory?

Music made for the country

The music coming from Parliament Hill these days is more than just melancholy. According to the spring, 1990, Bureau of Broadcast Measurement figures, for the first time ever, Ottawa's most listened-to radio station is country-and-western station CFTY FM. Indeed, this is not the first time a sort of government has been subject to some sad songs. The country music station WQQX (WYFM) at Washington topped the ratings in the District two years ago. Said David Blockstein, manager of Ottawa's CFTY: "It is a form of music where you can escape from the reality of it all." The times they are a-changin'.



James Wells, a little tenacity and some 'very, very good television'

A TICKET TO AN INTERVIEW

Enterprise reporting has reached new heights. CTV reporter Leslie Jones went to be first in line when Newfoundland Premier Clyde Wells arrived in Calgary for the Liberal leadership convention after Wells adjourned the legislature before it could vote on the Meech Lake accord. To that end, Jones bought an airline ticket to Toronto in order to meet Wells on the arrival day of the Calgary airport while the rest of the media waited outside. Her tenacity paid off: Jones rode to the Seaside House with Wells's entou-

rage, and he accompanied her to the CTV broadcast booth. Said Jones: "I was extremely only one thing—getting him to an act." Wells arrived in time to see a broadcast of Quebec Premier Robert Bourassa commenting on the accord's failure. CTV broadcast a split screen with Bourassa on one side and Wells resting on the other. Said CTV vice-president of news Tim Ranzhoff: "It was very, very good television." As for the rival CBC reporters, they had to settle for the screen as Wells made his way to his seat.

WINNERS ARE LOSING IN LAS VEGAS

Canadian gamblers who visit the United States have to pay 30 per cent of their winnings to their country's Internal Revenue Service before they leave. And according to Nevada's two senators, that is bad for business in Las Vegas. As a result, Nevada senators Richard Bryan and Harry Reid are urging the treasury secretary to change the law. They say that it encourages Canadian gamblers to travel to neighboring spots in the Bahamas and Europe. American gamblers, too, are subject to the tax, but they pay it when they file their annual tax returns. Some nations, including Britain, France and Italy, have negotiated treaties that exempt their nationals from paying the tax. Said Bryan: "The law is inconsistent with the intent of the Free Trade Agreement." Sounds like a case for better relations.



Eastern image problem

There were depressing reports swirling New Brunswick Premier Frank McKenna when he returned from the last Meech Lake talks in Ottawa. A \$250,000 study by New York City-based image and identity specialists Lippincott & Margulies showed that Canadians outside New Brunswick "responded negatively" to the province. The study showed that its conservative view is in bedeviled and disadvantaged. Said McKenna: "It is probably clear that our problems are greater than we thought." Paragloss, Dartmouth, advertising and public relations for New Brunswick Tourism, said that the results are not surprising. Added Steve May: "What can we expect when the only exposure Canadians have comes through national news items that show people who are unemployed or in some kind of crisis?" And in the United States? Almost no one had heard of the province.

McKenna: negative national response

Ado about Meech

Ontario politicians will be "vocally playful" at the Stratford Festival fund-raiser planned for November in Ti-



Peter MacKay to be cast

ronia. Rumorist Don Harro, who is entering a spoof for the event called The Shaming of the True, says that he hopes to include Ontario Premier Donald MacKay and opposition leader Robert Rae in his cast. Said Harro: "I tried to avoid federal politicians because of all the unpleasantness of Meech." No curtain calls for Brian Mulroney.



Queen Elizabeth in Calgary with Mulroney and Hnatyshyn: Quebec nationalists say that she is not welcome

CANADA

DIVIDED LOYALTIES

The visit by Queen Elizabeth II last week, her 15th to Canada since she assumed the throne in 1952, provided stark reminders that the country remains over a deeply divided nation. In Alberta, where she spent five days, 6,000 people turned out to greet her in Calgary's Olympic Plaza. There, the crowds enthusiastically waved Canadian flags as the Queen, dressed in a white coat and apron, sat, moved among them smiling and accepting bouquets of fresh flowers. Three days earlier in Montreal, however, Canadian flags had been evident only under the feet of demonstrators, as Quebecers turned the streets into a sea of blue-and-white fleur-de-lis flags in celebration of St. Jean Baptiste Day, Quebec's "carnival" holiday. Coming on the heels of a constitutional crisis that culminated with the death of the March Lake accord, the scenes in Calgary and Montreal were visible expressions of the country's conflicting identities.

AFTER THE DEMISE OF THE MEECH LAKE ACCORD, THE QUEEN VISITS A COUNTRY AT A CROSSROADS

Indeed, some Quebec nationalists said that it was inappropriate for the Queen to go ahead with the only Quebec segment of her five-day visit, a 30-minute stroll in a park in Baffin across the Ottawa River from the capital, during Canada Day festivities on Sunday. The mayor of Baffin, Michel Lefebvre, said that he would not

greet the monarch because of the timing of her visit. Several other Quebec nationalists called Canada Day celebrations entirely because of the death of March Lake. Other indications of the continuing tension surfaced in the House of Commons, where angry Quebecers who resigned from both the governing Conservative party and the opposition Liberals, saying that, because of the accord's defeat, they could no longer work within the two federal parties. And outside the chamber, Newfoundland Liberal MP Brian Tobin compared the Tories to wolf-like Nazis, accusing the government of delaying support for the potentially massive Billman offshore oil development in its province in order to punish Newfoundland for its role in defeating the accord.

For their part, the Tories attempted to turn the political page on March Lake and their sock-baiting (standing in opinion polls with a flurry of unnecessary announcements, including the introduction of stricter gun controls

page 14) The government also appointed a successor to outgoing Supreme Court Chief Justice Brian Dickson. Prime Minister Brian Mulroney named a Quebecer, Supreme Court veteran Antonio Lafram, to the position (page 16). And after failing to get unanimous Commons approval to table the report of the Indian judicial inquiry into the Ben Johnson steroid scandal, government officials hurriedly hatched a deal to reporters (page 18). Mulroney, meanwhile, defended the Queen's visit—and her 30-minute-long stopover in Quebec. Declared Mulroney: "Antonia is a good face for the Queen to visit Canada."

Finally, that was the sentiment in Alberta, where crowds lined the streets of Calgary and Red Deer to catch a glimpse of the monarch. In Calgary, after Mulroney and Gov. Gen. Ramon Hnatyshyn formally welcomed her to Canada, the Queen, enchanted many of the waving spectators by walking past the crowd, exchanging

Canada's "threat of internal divisions."

But newly elected Liberal Leader Jean Charest, whose party topped Gallup's poll at 50 per cent, fired shots of his own. When the Commons reconvened last week, Quebec MP Jean Lapierre, who had switched on the long campaign of Paul Martin, promptly resigned from the Liberal caucus. Citing Charest's opposition to March Lake, Lapierre, who represents the riding of Sherbrooke, southeast of Montreal, said, "I would not want to have an association of one minute with that individual who is now the shame of most Quebecers."

Lapierre joined another former Liberal, MP Gilles Boivin, who had already made clear his intent to leave his party's caucus over Charest's Quebec policy. Both men will sit alongside—but not yet with—six other Quebec MPs who have left the Tory caucus in recent weeks over March Lake, and who now sit as Independents. The Liberal decisions



Protester ripping a Canadian flag in Montreal last week: Canada Day boycotts

angrily with some of her advisers and accepting flowers from others. Later, she emerged from a reception at Calgary's Palliser Hotel and encountered 60-year-old Muriel Miller, who had spent four hours in the building's lobby waiting for a glimpse of the sovereign. Said Miller, after her brief conversation with the Queen: "Waiting was worth it. I love my ruler. It was the highlight of my life."

Earlier, the crowd had booed Mulroney as he emerged from a luncheon for diplomats awaiting the Queen's arrival. For the Prime Minister, it was a shocking reminder that his party remains at a low standing of 17 per cent in the most recent public opinion poll, published last week by Gallup Canada. And at week's end, speaking at a dinner in Calgary, the Queen expressed her "anxiety and deep concern" for what she described as

brightened the prospects that the internal group of Quebec members, who have included several former Tory government ministers. Lucien Boivin, now run a candidate in an Aug. 13 by-election in the Montreal riding of LaSalle-Sainte-Marie. Although, however, that by-election has attracted several other pro-independence candidates, including Conservative Christian Fortin, who declared on June 30 that he supports sovereignty for Quebec.

Still, it was clear last week that many politicians wasted a quiet period of reflection after the Montreal March debate. Both the Conservatives and the Liberals adopted for a three-month-long summer recess. But there was clear evidence of the depth of parties' anxiety in the number of major pieces of government legislation that the Liberal-dominated Senate refused to pass. They included bills

National Notes

POLKING PARLIAMENTARIANS

The federal government agreed to allow public hearings on a bill that would force the House to hold the opinion of a board of MPs or senators before approving a number of other laws for subsidizing office budgets. The bill would deny some public money to any law up to 30 days while the House considers whether an parliamentary bill was broken, not just in the House of Commons, but also in such legislation would give parliamentarians protection that is not available to the general public.

HUGHES INQUIRY CONCLUDES

After nine months of testimony, an inquiry headed by retired Ontario Superior Court judge Samuel Hughes into child abuse at the Mount Cashel orphanage in St. John's, Nfld., concluded hearings. Hughes is expected to report his findings to the Newfoundland government before the end of the year.

SINAIAN DELAY

The Liberal-dominated Senate referred the appointment of former CTV journalist Bruce Phillips as Canada's \$143,000-a-year (senior) commissioner to a committee. It will hold hearings in the fall on opposition concerns that Phillips—a former communications director for Prime Minister Brian Mulroney—is too partisan for the watchdog job.

A RETREAT ON FRENCH

Following widespread criticism, the Montreal Catholic School Commission withdrew a proposal to prohibit students from speaking languages other than French on school grounds. A second policy allows students to use any language in private conversation on school property.

BATTLING AIDS

The federal government released its long-awaited plan strategy to coordinate the battle against the disease through treatment, research and education. But it did not succeed in raising the \$125-million AIDS war over the next three years.

CHARGES OF FRAUD

In an effort to deal with an Ottawa justice of the peace, the RCMP charged Quebec Conservative MP Gilles Bernier and former Tory MP Richard Gosselin with two counts each of fraud and breach of trust against the House of Commons relating to two 1987 contracts. Gosselin, who represented the Montreal-area riding of Chambly, resigned from his Commons seat in May, 1989, after pleading guilty to earlier charges of fraud and breach of trust.

ending with abortion, the proposed new Goods and Services Tax and changes to the unemployment insurance system.

Meanwhile, Quebec Premier Robert Bourassa and Ontario's David Peterson attempted to restore an atmosphere of comradery to national politics. At Bourassa's request, they met in Montreal to demonstrate that the solidarity that they displayed through out the Meech Lake negotiations would continue into the new era. And they tried to reassure the business community that the constitutional crisis would not result in an economic upheaval. Said Peterson: "It is important that we keep our economic relationships growing, that we keep them viable, particularly in a period of political uncertainty." In yet other indicators that the financial community had accepted that anyone perspective, the Canadian dollar rose through the week, closing on Friday at 85.36 cents/U.S. more than a penny higher than its value of 84.95 cents at the close of trading on Monday.

But there were clear signals that Canadian politics had been seriously altered by the death of the constitutional process. After the massive—but peaceful—demonstrations that marked Quebec's St. Jean Baptiste celebrations, the mayors of Quebec City and Sherbrooke were among those cancelling all activities on May Day festivities at their cities. Declared Quebec City Mayor Jean-Paul Talbot: "We have no business celebrating a

country that shows its door on our fingers."

Bourassa, meanwhile, wasted little time in setting into motion his own Quebec-first agenda. Under pressure from what some of his officials described as an automatic "young Turko" in his party, Bourassa on Thursday proposed the establishment of a non-partisan commission to explore the province's consti-

tutional future. He also announced that his government would transfer up to \$40 million to Quebec for programs aimed at encouraging new immigrants to settle in that province.

Officials on both sides said that similar arrangements in such areas as communications policy and federal spending power may follow.

But Ottawa's apparent willingness to deal



Bourassa, Peterson (right) post-Meech solidarity and reassurances for the business community.

tional issues. According to Bourassa, only two choices would be ruled out as advances the status quo, and union with the United States. The following day, separatist Parti Québécois leader Jacques Parizeau emerged from a 90-minute meeting with Bourassa and enthusiastically endorsed the proposal. The commission,

government would transfer up to \$40 million to Quebec for programs aimed at encouraging new immigrants to settle in that province. Officials on both sides said that similar arrangements in such areas as communications policy and federal spending power may follow.

But Ottawa's apparent willingness to deal

NEW LIMITS ON GUN OWNERSHIP

The worst massacre in modern Canadian history offered a grim measure of the damage that can be done with a single firearm. On Dec. 6, at the University of Montreal's Ecole polytechnique, Marc Lépine, 28, murdered 13 female engineering students and a woman staff member before taking himself. And while the public outrage that followed centered mainly on Lépine's chilling choice of women as targets, attention also focused on his weapon, a 223-caliber Ruger Mini 14 semi-automatic rifle that he had purchased, legally, at a Montreal sports shop. After the massacre, more than 500,000 Canadians signed petitions urging the federal government to ban such weapons. Last week, federal Justice Minister Kim Campbell responded, taking legislation that would make it more difficult to

buy most firearms and prohibit the sale of semi-automatic entirely—although not, currently, the kind used by Lépine. Said Campbell: "My goal is to provide comfort to all Canadians."

Campbell's bill represents the first major attempt since 1978 to reform Canada's gun-control law. Under the existing law, almost 900,000 pistols have been issued for hunters and firearms, including handguns. But, although the 1978 law banned the import or sale of fully automatic weapons—capable of firing repeatedly with a single squeeze of the trigger—it allowed some fully automatic designs to be imported if they had been converted to semi-automatic fire, requiring a separate trigger pull for each shot. Critics described that as a loophole, noting that gunsmiths—and even knowledgeable hobbyists—could easily convert the weapons back to fully automatic fire.

Campbell's proposed changes would eliminate that possibility by outlawing the importing of such weapons as the Israeli-designed Uzi machine-gun and the Soviet AK-47 combat rifle—both originally designed for full auto-

matic fire—once when converted to semi-automatic. Her bill would also ban the sale of cartridge clips carrying more than 10 rounds (Lépine used a 30-round clip). An advisory panel will be asked to recommend whether the importing of other weapons—such as Lépine's Ruger—should also be banned.

The measures drew mixed reviews, not justice critic Gerald Robinson, for one, applauded Campbell's plans to establish national training courses and testing for anyone seeking to buy a firearm. But Loren Bove, a Toronto accountant who advocates for loose gun controls, said that he was "disappointed that the minister clings to the idea that guns are the problem rather than people." For his part, Ecole polytechnique director André Boisson said that the new law was a step in the right direction but he added, "The bill would have been out to allow semi-automatic weapons at all."

DAN BURKE in Ottawa



MILK ENERGY.

Each 250 mL serving of 2% partly-skimmed Milk contains 129 Calories (540 kJ) of energy.



Lottery profits help hospitals.

On the night of the car accident, Bruce was not expected to live. Fortunately, a specially equipped and staffed trauma unit was ready and standing by at a nearby hospital. This special facility helped Bruce beat the odds and he has returned to work.

Helping hospitals is just one way lottery profits are used.

Lottery profits are also used to provide grants in other areas such as helping people with disabilities, sports and recreation, arts and culture, and province-wide charities.



Ontario Lottery Corporation
Together we're making good things happen.



directly with Quebec on such issues prompted other provinces to call for new arrangements of their own with the federal government. British Columbia, for one, "will seek a different type of Confederation," said Premier William Vander Zalm. He added, "We are going to make sure that, if a deal is negotiated between Ottawa and Quebec, that we are at the same table to get the same deal." Vander Zalm added that he would seek cabinet approval to create his own panel of constitutional advisers to help prepare the province's demands. Said Simon Fraser University law professor Edward McWhinney, a likely member of the group: "The key actions are already moving, and provinces have to be on the ball or get left out. If you take the summer off, there might not be much left to negotiate when you get back."

Certainly, Mulroney's Conservatives gave every sign that they plan a major offensive to reverse their tumbling political fortunes. Said one Tory MP, who insisted upon anonymity: "You will see a lot of action at a furious pace." Some senior bureaucrats, meanwhile, said that they had been ordered to scrap their summer vacation plans and stay in Ottawa to help ministers prepare a new legislative agenda. Last week's announcements of the new gun-control bill and a federal strategy to fight AIDS suggested that the party was preparing to focus on social issues—not constitutional ones—when Parliament resumes on Sept. 24.

As well, Mulroney will likely ask soon to fill the 12 Senate vacancies with Conservatives. And with the all-consuming Meech Lake negotiations ended, personnel changes are likely among the Prime Minister's senior advisers. Said one official in the Prime Minister's Office: "There will be a changing of the guard." Among those expected to leave or change jobs are Mulroney's three most senior advisers as developing his Meech Lake strategy: Stanley Hartt, the Prime Minister's chief of staff, Norman Specter, cabinet secretary for federal-provincial relations, and Minister for Federal-Provincial Relations Senator Lowell Murray.

But, in the Commons, politicians focused on more immediate issues last week. The opposition accused the government of stalling coverage on Newfoundland for its opposition to Meech Lake by withdrawing a bill to increase the \$5.5-billion Hibernia oil project. Energy Minister Jean Lapierre attributed the delay to continuing negotiations with Mobil Oil Canada, the project's largest private partner. But some Tories resented that the government withheld the legislation to avoid giving Quebec with the chance to vote against it. Declared MP Luc Bouchard, a Quebec Conservative: "The Newfoundland gambit did not want to pass the Meech Lake accord. He will have to leave the consequences." For all the pomp and pageantry that accompany royal visits, there was no concealing the fact that the Queen last week was leaving a battered, nation increasingly uncertain of its way ahead.

BRUCE WALLACE with JOAN MORSE
in Calgary and E. KATE FOLSTON in Ottawa

Think small. Success will follow.

Your business can look and sound bigger with a FaxPhone from Canon.

It's a fax and a phone all in one.

Send your documents instantly—instead of waiting for expensive couriers.

If your business is going places, put a Canon FaxPhone to work for you today.



Canon FAXPHONE



A liberal leaning

Antonio Lamer is Canada's new chief justice

Antonio Lamer's destiny might well have been different: like his father and raised in Montreal's brewing and steel, and a neighborhood of aging factories, dingy corner taverns and working-class tenements. It was a surprise when he grew up 48 years ago in Lamer's last of revealing "In my block, everybody but two of us went to the post-secondary," he reminisced recently. "The other guy's a dentist. I became a lawyer." And that was a momentous decision. It set Lamer on a path that led him from Montreal's main streets to the province of the country's legal profession. Last week, 33 years after Lamer was called to the Quebec bar, Prime Minister Brian Mulroney appointed the 37-year-old reform-minded specialist in criminal law as chief justice of the Supreme Court of Canada.

The choice had been widely anticipated. Only the timing, calculated to deflect attention away from the March 14th constitutional fiasco, was a surprise. But, in choosing the liberal Lamer to succeed chief justice Brian Dickson, who retired last week, the Mulroney government restored the tradition of alternating the Supreme Court's top position between anglophone and francophone justices. Mulroney himself that tradition when Dickson followed his predecessor, Bora Laskin, in 1984. The latest choice—Mulroney's sixth appointment involving the country's highest bench—also signalled that the court's progressive leaning of recent years is likely to continue. Lamer's record showed him to be one of the most liberal judges on the nine-member court. As active jurist, he has used the 1982 Charter of Rights and Freedoms to protect individual freedoms from encroachment by state power. "He is ideal for the job of leading the court in the second decade of the charter," said James MacPherson, dean of Osgoode Hall Law School at Toronto. Added MacPherson: "He brings to a rare combination of practical knowledge and scholarly reflection."

The new chief justice, who took over his office on Sunday, brings a wealth of experience to the post. Despite his relatively young age, Lamer is the longest-serving member of the court. Then Prime Minister Pierre Trudeau appointed him in 1968, elevating him from the Quebec Court of

Appeal. Prior to that, Lamer served on the Quebec Superior Court, an appointment he accepted when he was only 26. He has also been chairman of the Law Reform Commission, national chairman of the Criminal Law Section of the Canadian Bar Association, founder of the Defense Attorneys Association of Quebec and special counsel to the Quebec

ministers of justice in charge of the reorganization of the provincial court system. But Lamer regards those impressive credentials as secondary to his call to the bar in 1967, an occasion he still describes as the major event in his life. As he told *Maclean's* last week, shortly after his appointment was announced, "The most important day in any judge's life is the day he becomes a lawyer."

As a judge on the country's highest court, Lamer has been liberal in interpreting the charter's Section 7, known by lawyers as the "fundamental justice clause." The section guarantees "the right to life, liberty and security of the person." And Lamer's specialty has been applying the clause to criminal cases. In that arena, his decisions have been instrumen-

tal in placing limits on police power and in curbing the use of evidence gathered through illegal wiretaps and entrapment.

Many of the rulings that Lamer has written on behalf of his fellow Supreme Court justices have been controversial. In one recent case, Lamer played a key role in a decision to overturn the drug-trafficking conviction of Marc André Goffin, whose constitutional right to legal counsel was violated during his Calgary arrest, after the arrest, Goffin was found to be carrying 200 g of heroin in a coonion hidden in his rectum. In another ruling, Lamer wrote the court's decision ordering a new trial for Yvon Vidlancourt, a Montreal man convicted of second-degree murder during a hailup, along with the majority of his fellow justices, Lamer feared that the charge against Vidlancourt had not been proven, "beyond a reasonable doubt." Declared Montreal lawyer Jean Dury of Lamer's crowd: "He makes sure the rights of individuals are always protected to the last against the aggression of the state."

Indeed, individual liberty has been the key to the majority of Lamer's decisions in an analysis that political scientists Ted Morton of the University of Calgary and Peter Russell of the University of Toronto conducted of the Supreme Court's last 100 charter rulings. Lamer emerged among those judges of the court most likely to rule for the individual. According to the study, he did so in 47 per cent of cases involving the charter, substantially above the average for the court as a whole, which ruled in favor of individual rights only 38 per cent of the time.

Lamer makes no attempt to disguise his inclinations.

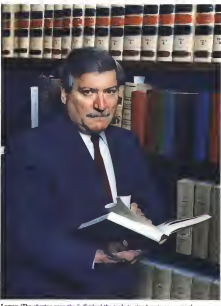
"People are the most important thing of all," he said last week. "The charter gave the individual the tools to stand up to aggression from the collectivity. They are rights that cannot be taken away by the passing of a law."

Despite his unqualified trust, however, the new chief justice likes clear challenges in his new role. He submitted a Supreme Court that is divided over how the charter should be interpreted—and order unprecedented scrutiny. But legal experts say that the court has so far dealt mainly with comparatively easy cases, requiring only modifications of existing legal principles in light of the eight-year-old charter. But it is now coming into cases involving such contentious social issues as freedom of speech and association, and the rights of the media. Said Calgary's Morton: "It will be an interesting court under Lamer, in the sense that the honeymoon is over and it will have to deal with some difficult decisions."

One of Lamer's main problems will be the country's uncertain political atmosphere in the aftermath of the failure of the March 14th constitutional accord. Although the agreement's demise left intact the nation's existing Constitution—based on the British North America Act of 1867, but including several additions and amendments—the court is certain to find that its rulings are open to criticism from detractors of federalism in Quebec. That is likely to be particularly evident in cases involving such sensitive questions as minority and language rights. Said Morton: "The arrest of March 14th and its 'distinct society' provision for Quebec adds a new political ambiguity to legal decisions. A decision by the Supreme Court one way or another

government of British Columbia acted legally when it passed a law in 1986 to prevent even peaceful strikes by a coalition of labor unions opposed to its policies. Declared Maudsl: "The court so far shows precious little in the way of principle and great lack of political expediency. In some opinions, Lamer has been part of the most outrageous cases."

And there is no question that Lamer is one of the more experienced members of the Supreme Court. With his trademark bushy mustache, nose fedged with grey, and his usual pocket in his suit with his first wife and the two stepchildren that he adopted after he married in 1967, Lamer portrays an image that is far removed from that of his more aloof colleagues. As a reflection of that, Lamer played



Lamer: "The charter gave the individual the tools to stand up to aggression"



Dickson: leaving a court divided over how the Charter of Rights should be interpreted

at this time could throw gas on the fire."

Lamer downplayed those potential difficulties. Said the chief justice: "March 14th has nothing to do with this court. We have the Constitution we had, and we will continue to apply it. March 14th is in the political arena. It's for the politicians, and I have them all to my regret."

Some members of the legal profession, however, view Lamer's claim that the court can rise above politics with skepticism. According to his detractors, he has constructed what they claim has been a growing politicization of the court. Said Michael Maudsl, a Toronto lawyer, author and Osgoode Hall law professor: "There are some who are very critical of the philosophies of the court to try to drop its political bias. Lamer must be identified with this general trend." According to Maudsl, the court has been biased in favor of business and political interests—excluding to some extent that

to celebrate his appointment by taking a two-week vacation aboard his boat, a classic 1936 Chris-Craft cabin cruiser that he maintains on Lake Champlain, on the Quebec-New England border. Said Lamer, whose hobbies also include flying and hunting: "I'm going to drop the anchor in a bay I am not going to disclose to you. We're going to read good books and we are going to rest."

When he returns from his break, however, Lamer will bring to his new task an abiding pride in his working-class origins on the tough streets of Montreal. It is a sense that also colors his regard for the role and importance of the institutions that he is taking over. He told *Maclean's*: "We are an essential service. We are in the business of freedom and the business of justice. What's more important than that?"

BARELY CAME in Montreal with RAE CORDELL in Toronto and E. RAJE FULTON in Ottawa



Johnson (right) with lawyer Edward Fattorusso, last week, drew up a rematch

A new race for gold?

The Dublin report is encouraging for Ben Johnson

He drives a \$325,000 black Ferrari Testarossa, and he says that he drives every day of a rematch with his arch-enemy, the American sprinter Carl Lewis. With his two-year international suspension for steroid use almost complete, former 100-metre world-record holder Ben Johnson is training five days a week at a Toronto track club to prepare for his return to international competition. And last week, his chances of making a comeback appeared dramatically with the release of a federally commissioned report on steroid athletes' use of performance-enhancing drugs. Among its 70 recommendations, the report by Ontario Chief Justice Charles Dubin said that international and domestic track associations, rather than Ottawa, should determine Johnson's future. Spoiler for two Canadian athletic organizations said that they support Johnson's return to competition. Later, the 30-year-old Jamaican-born athlete told a news conference that he recently ran 100 m in a world-class time of 10.08 seconds. Added Johnson: "I was born to run. This still will want to do."

But Johnson will run again for Canada only if the federal government accepts Dubin's recommendations, which he made after 144 days of public hearings, at a cost of about \$4 million, over more months last year. The government will have to lift the lifetime ban on hand-

ling that it added to the International Amateur Athletics Federation (IAAF)'s two-year suspension of Johnson. Both penalties were imposed after a urine test revealed that the sprinter had taken a steroid called stanozolol before winning a gold medal in second race in the 100-metre race at the September, 1988, Olympics in Seoul. The International Olympic Committee also stripped Johnson of his medal and erased his world record of a 7.94 seconds. Even though he has several hurdles to clear before competing again, Johnson said last week that his goal is to win a gold medal at the 1992 Olympics in Barcelona.

Dubin's some reacted bitterly to the contents



Although the Dubin report evidently left Johnson optimistic about his future, others reacted bitterly to its contents. Former Canadian weightlifter coach Audrey Kulesha, whom Dubin found to be uncooperative about steroid use by his athletes, said that Dubin's comments would make it impossible for him to work with athletes as a federally funded coach. Retired sprinter Angela Boudreau, 35, a former holder of the women's 50-m outdoor world record, said that she had no interest in competing again or coaching after having revealed her drug use at the inquiry. And Charles Francis, who coached Johnson, Fragomeni and several other top Canadian sprinters during the 1980s, said that he would not attempt to find another coaching job, even though Dubin said in his report that Francis's frank testimony helped the inquiry.

The most vehement criticism came from Dr. Memo (Memo) Ataphan, formerly Johnson's personal physician, who now practices medicine on the Caribbean island of St. Kitts. According to the report, Ataphan supplied steroids and administered them to Johnson and several other sprinters over a period of four years. Ataphan said in an interview from his home that the Dubin report contained "driving, powerful, useful statements" and he described them as "hark, education and laughter."

For his part, Dubin recommended that the Ontario College of Physicians and Surgeons review the conduct of Ataphan and Dr. Ars Atkinson, another Toronto physician who admitted in testimony before the inquiry that he had supplied athletes with steroids. A day after the release of Dubin's report, the Ontario college announced that both doctors would face charges of professional misconduct. If they are found guilty, they could lose their licenses to practise in Ontario.

Although it was specifically the Johnson steroid scandal that prompted Prime Minister Brian Mulroney's government to establish the inquiry on Oct. 5, 1988, the Dubin commission examined the conduct of dozens of individuals, as well as the attitudes and practices that led to the allegedly widespread use of performance-enhancing drugs among Canada's Olympic athletes. A total of 119 witnesses testified before the inquiry. Dubin's conclusions were contained in a 632-page report based on almost 73,000 pages of testimony. Among his recommendations were calls for Ottawa to impose more stringent licensing requirements on drug wholesalers, manufacturers, importers and distributors of steroids. He also argued that Canada needs other penalties for illegal possession, importing and trafficking in steroids.

Dubin's report also contained several recommendations aimed at improving the effectiveness of tests to determine whether athletes have been taking steroids. Dubin suggested that the Ottawa-based Sport Medicine Council of Canada become the central, independent agency responsible for testing amateur athletes for illegal drugs. At last, Dubin recommended that all of Canada's national sports organizations conduct a blood percentage

of their annual budgets to help pay for regular drug testing. Dubin added that the council should rely on a combination of random, short-notice and self-reporting tests to ensure that athletes are free of their drugs.

At the same time, Dubin lamented the apparently widespread use of performance-enhancing drugs by athletes competing internationally. He said that, in the past, a "conspiracy of silence" among athletes, coaches and sports administrators allowed drug use to grow, and that cheating has probably done irreparable damage to the image of amateur sports. But he added that drug use is merely a symptom of a much deeper moral problem that affects the entire temporary society. Said Dubin: "Drugs and the unprincipled pursuit of wealth and fame at any cost now threaten our very moral fabric. It is a wonder that immorality has not reached its peak in our sport."

Although sports administrators generally applauded Dubin's conclusions, some also worried that Canadian athletes could be at a disadvantage in the future if they are kept free of performance-enhancing drugs. Geoff Smith, executive director of the Ontario Track and Field Association, said that American sports federations will never try to eliminate performance-enhancing drugs because fewer world champions would mean fewer corporate sponsorship dollars. He added that, if East Germany were to launch an assault that is comparable to the Dubin inquiry, several world records would be moved, and the country's reputation as an athletic powerhouse would severely suffer. Said Smith: "We can well picture our athletes as in a gun as the driver says: 'But I'm skeptical whether they'll land on a level playing field.'"

One day after the Dubin report's release, the Ontario association became the first domestic sports organization to endorse Johnson's return to international competition. Association president Rob Lund said that Johnson should be allowed to represent Canada at the world indoor track-and-field championships in Seattle, Spain, next March. Paul Dupré, president of Athletics Canada, formerly the Canadian Track

and Field Association, told an Ottawa news conference that his organization will lobby the government, if necessary, to ensure that Johnson again represents the country in international competition. And an IAAF spokesman in Stockholm said that the association would not seek to block Johnson's return. Said Arne Ljungqvist, chairman of the IAAF's medical committee: "This will not be the last athlete to



Johnson, Ataphan in St. Kitts: symptoms of a deeper moral problem

return after having been banned for steroids several years. This is the normal routine." But optimism for both the federal government and the Mulroney-led Canadian Olympic Association and that they wanted to study the Dubin report before making a decision on Johnson's future eligibility. Richard Perle, press secretary to Prime Minister and Amateur Sport Minister Oliver Dixon, said that the minister would have to consider the numerous recommendations in the report and consult with the country's governing sports bodies before making any decisions. Added Perle: "For more information come out than anyone expected"

Even though Johnson has not competed in nearly two years, he insisted last week that he still has the ability to beat the world's best at the 1992 in Seoul. He said that athletes, which he began using regularly in 1981, allowed him to spend more time lifting weights and running, but did not increase his speed. Johnson added that, during the past year, he has trained five days a week, although he took three weeks off last winter and went to Jamaica after his father died there.

The sprinter's current training partner, George English, a 30-year-old first-year student at York University, said that he and Johnson spent about 2 1/2 hours a day running and lifting weights. He said that he has seen Johnson train about twice a week for about 7 1/2 to 8 seconds over 60 m, which he described as "a very competitive time." As well, he said that Johnson is benching (pressing) 335 lb, although Johnson is reported to be bench-pressing 335 lb and squatting with 655 lb. Added George van Beyl, a sprint coach whose runners frequently train at Johnson's home, he has been as fast in anyone else this year. I would say he would be one of the three fastest in the world.

Athletes and trainers who have watched Johnson train in recent months say that they are also impressed by his discipline and determination. At his news conference following the release of the Dubin report last week, Johnson said that he wants to regain the respect of the Canadian public. As well, he apologized to his wife, Mary, and to Carl Lewis, the track athlete who was awarded the gold medal in Seoul and subsequently the world record after Johnson's suspension. "Deep down is my heart," said Johnson. "I know I can beat the best without taking drugs." Although some clearly doubt his new, clean-cut former champion's sincere determination to make them believe in his ability, it seems he will give them the chance.

IF BENEATH WITH STAFF AND BUREAU IN TORONTO AND VAN COVAGE IN OTTAWA

A BAD-LUCK PRESIDENT

When Carlos Menem swept to power in Argentina a year ago, he promised to revive the nation's weak economy and provide political stability. Most Argentines welcomed his promise to control the country's soaring inflation rate. But the national mood has soured since then, and even the safe last week of the multifaceted satellite telephone company to private interests that promise to ensure its effectiveness did little to improve the atmosphere. And President Menem will have little to celebrate on July 8, the first anniversary of his inauguration.

The flamboyant Menem scored an easy victory in the May 1989 general election. But since then, his economic policies have alienated most members of the Peronist movement, the coalition of rightist and left-wing populist groups that brought him to power. He did manage to reduce inflation to less than six per cent from nearly 800 per cent in his first six months in office, but last month it had crept up to about 15 per cent. His wife, 38 years, Dolores, whom he invited from the palace by presidential decree in mid-June, has gained opposition forces, accusing him of corruption. Now, the 46-year-old president has acquired a reputation for bringing wealth, at best, to almost everyone he meets.

That onerous reputation gained credence after team star Gabriela Sabatini was snatched for three months when she traveled her wife's day after playing with the president. Speculation championed David Seidman last night, arm in an accident shortly after seeing with the president. And to many Argentines, Menem's presence at the opening round of the World Cup soccer matches in Italy guaranteed a humiliating 5-0 defeat for the defending Argentine

INFLATION AND MARITAL WOES TROUBLE MENEM ON THE FIRST ANNIVERSARY OF HIS INAUGURATION

themselves to highly regarded Cameron.

Buenos Aires newspapers are publishing box scores of the anti-Menemists blamed on his bad-luck president. So far, it is more of a joke than a liability, and the media label may vanish if he can control the spending out of living. Public opinion polls indicate that Menem's political fortunes are tied directly to the inflation rate.



when it drops, his popularity rises. Last November, after inflation reached its lowest level, the president received an 80 per cent approval rating. In February, when the inflation rate jumped to 80 per cent, his approval rating dropped to 30 per cent. His rating is now hovering around 43 per cent.

When he was elected last year, many Argentines considered him to be almost a miracle worker. But of Syrian immigrants who arranged his marriage to Dolores, the president had a long history of marital disputes and

The Menems before their latest separation: anti-government demonstrators (below) blink prognosis

separations caused by a succession of affairs—but that was regarded as a strength rather than a weakness. In a country where divorce was illegal only three years ago, many Argentines feel themselves trapped in loveless marriages and they tend to sympathize with politicians who have similar problems. During the campaign, Menem captured the voters with his love of fast cars and his lessons with relatives: the generic name for starlets of strip clubs and tango shows.

He also offered a refreshing change from the fiscal meanness of former president Raúl Alfonsín. A longtime Peronist and three-time governor of his native La Rioja province, Menem promised an "economic miracle" and, for a while, it looked as if he would deliver. He lobbied business and labor into accepting wage-price restraints that dramatically lowered inflation. He endorsed ambitious plans to sell off such bloated, money-losing government enterprises as the telephone company. He also slashed so-called development subsidies to geographically concentrated businesses.

Impressed by the progress, the International Monetary Fund granted Argentina a \$1.7-billion line of credit, and foreign banks resumed negotiations on restructuring some of the country's \$73-billion debt. In early June, Argentina made a token payment of \$47 million on \$75 billion in past debt interest. Government officials are now talking about trying to pay \$350 million by the end of the year in an effort to regain access to financial markets that was lost when Alfonsín defaulted on debt payments two years ago.

Still, the economic outlook over is unpromising.

ing. The year-end increase in inflation forced the government to devalue the currency. The austral, worth 12 to the U.S. dollar a year ago, is now pegged at about 5,200 to the dollar. A Canadian dollar currently buys 4,500 australs. Menem's wage restraints collapsed when the unions secured a 70-per-cent pay increase in April. And Peronist congressmen are beginning to advocate some of their president's free-market initiatives, delaying bills that would deregulate the economy and weaken the power of the unions. Party stalwarts also accuse Menem of forsaking his Peronist roots—namely, state control of the economy—which could jeopardize the rest of his privatization plan. Next to go the state-owned airline and railways.

Menem suffered a further loss of stature when he moved out of his official residence on July 8, supposedly because Dolores was making life increasingly unbearable for him. Many believe that a philanderer may be suspected, even admitted, in male-dominated Argentina, but one who is too frightened to go home is considered a weakling. Menem did, ultimately, move back into the presidential palace after a month of staying with friends. But that was only after the presidential divorce rumors faded.

Menem's 20-year-old son, Carlos, who now lives with his mother and 18-year-old sister in an apartment in downtown Buenos Aires, fuelled the controversy in an open letter to the president, which he distributed to newspapers last week. "You were so men capable to ask us face-to-face to leave the presidential mansion," he wrote, adding, "No, you ordered soldiers to throw us out like dogs."

Those close to the first couple say that their divorce results in part from Dolores Menem's desire to be with her sister, whose husband, Juan, founded the Peronist political movement (he died in 1975). Like Dolores Perón, who became a political power in her own right, the current president's wife wants a government post that means say that Menem has manifestly refused to provide a position. He, too, harbors a grand ambition: changing the constitution to enable him to seek a second year-term as president in 1995. But he will have to survive the first term to do that. And although the army has been docile in recent months, analysts predict that every Peronist government before Menem's was overthrown in a military coup.

MOLIGER, JENSEN with
CHRISTINA MORASSEGNA KELLY

World Notes

A BACIC BREAKTHROUGH

In a vote of 49 to 38, Lithuania's parliament agreed to freeze its March 11 declaration of independence from the Soviet Union for 100 days if Moscow agrees to hold talks with the rebel republic's leaders. That decision appeared to be a major victory for Soviet President Mikhail Gorbachev, who had imposed an economic embargo that nearly crippled Lithuania's industry.

HANDS IN AMERICA

Nelson Mandela, the deputy president of the African National Congress, completed an 11-day tour of the United States, and he turned down an appeal by President George Bush to meet in person. In Atlanta, Mandela visited the tomb of assassinated civil rights leader Martin Luther King Jr. But in Miami, city authorities reacted to his support for Cuban leader Fidel Castro has denied blacks and Cuban-Americans in the city.

HURBLE TROUBLE

Scientists at NASA said that one of the Hubble space telescope's two mirrors is defective, making it unlikely that the \$1.8-billion orbiting observatory, launched on April 25, will be able to take sharp pictures of the universe.

EARTHQUAKE AID

Foreign aid poured into Iran, including \$4 million in rapid relief from an emergency line following a devastating earthquake that killed 40,000 people and left 500,000 homeless on June 21. Relief efforts were hampered by earthquakes that caused mudslides and blocked roads. Meanwhile, Western diplomats said that the international co-operation strengthened under President Ali Akbar Hashemi Rafsanjani in his attempt to end Iran's isolation.

A FATAL HEAT WAVE

A heat wave nearly died in Arizona and California when temperatures soared to as high as 50°C. Meanwhile, wildfires in the region, ravaged by a four-year drought, destroyed more than 600 houses and businesses and killed at least eight people.

FREE AT LAST

The Chinese government allowed dissident scientist Peng Liyu and his wife, Lu Shaoxun, to leave the country a year after they had taken refuge in the U.S. Embassy in Beijing. Government officials had condemned them in counterrevolutionaries because they supported pro-democracy protests last year.



THE UNITED STATES

Uniting the Americas

Bush proposes a hemispheric free trade zone

Last week, soon after the United States and Mexico agreed to begin preliminary talks for a comprehensive bilateral free trade agreement, President George Bush conjured up a sweeping vision of an entire hemisphere without any trade barriers. Partly as an attempt to ease Latin American concerns

considering whether to join the U.S.-Mexico trade talks.

Last week, Salinas gave qualified approval to Bush's hemispheric initiative. But Jorge Cauich, an economist in Mexico City, said, "If the United States now extends the same [free trade] treatment to everybody in Latin Amer-

ica to Latin America, which is in Canada's "economic orbit."

In his speech last week, Bush pledged to forgive part of the \$14-billion debt that Latin America owes the U.S. government. However, the majority of the region's \$454-billion foreign debt is owed to banks and financial institutions and will not be affected by Bush's plan. In addition, the President proposed a \$351-million fund to encourage investment in the region. He said that Latin America must do its share by opening up its markets and eliminating bureaucratic barriers that discourage new investment. As one of Latin America's biggest trading partners, the United States stands to benefit significantly from free markets and faster economic growth in the region.

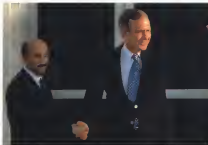
Derek Burney, Canada's ambassador to the United States, told Maclean's that Bush carefully tested his announcement, ahead of next week's annual G-7 meeting of the world's industrialized nations in Houston. "He sent a signal to Latin America as a broader assurance to the developing countries that American attention is not concentrated exclusively on East-West relations."

Bush's proposal would be a relatively conservative initiative at a time of economic retrenchment in Washington. Just one day before addressing the Latin Americans, Bush abandoned his famous 1989 campaign slogan, "Read my lips: no new taxes," warning that more revenue would be needed to fix the massive U.S. budget deficit, projected at \$187 billion for fiscal 1990. His new initiative would not be a costly one initially. The treasury will provide only \$117 million to the event.

Japan to get up to the remaining \$234 million in grants. And the debt write-offs will not be a drain on the treasury, because the administration has already implicitly recognized in its budget that the loans are uncollectible.

Former president Ronald Reagan first proposed a hemispheric free trade zone in the early 1980s. Then, Latin American countries rejected the proposal because they feared U.S. domination. Now, however, the region's leaders appear more enthusiastic. From Mexico to the north to Argentina and Chile to the south, economically depressed countries are adopting free market reforms, and enhanced trade with the United States appears to be their last, best hope of attracting exports and repaying their enormous foreign debts.

ANDREW BILSKIE with JULIA MACKENZIE
in Washington, DAN BUREZ in Ottawa
and JUDY CONGER in Mexico City



Salinas and Bush: Ottawa is considering whether to join the U.S.-Mexico free trade talks

about being ignored by Washington in the rush to rebuild the economies of Eastern Europe, Bush unveiled a three-pronged strategy to promote free trade and investment in the region and to reduce its massive foreign debt. Declared Bush, "We must shift the focus of our economic attention towards a new economic partnership." He added, "We look forward to the day when not only are the Americas the first full, free, democratic hemisphere, but all are equal partners in a free trade zone stretching from the port of Anchorage to Tierra del Fuego."

On June 11, Bush and President Carlos Salinas de Gortari of Mexico, the United States' third-largest trading partner after Canada and Japan, sketched out a blueprint for an accord. It would allow for the free flow of goods, services and investment between the two countries. In an effort to protect the expensive market access that Canada gained through its own free trade agreement with the United States 18 months ago, Ottawa is now

na, it means that there is less of a deal" for Mexico. Some Canadian analysts expressed similar concerns about the effects on their own country. But a spokesman for International Trade Minister John Crosbie said that he will have to study Bush's proposal before commenting.

International trade consultant Gordon Ritchie, who helped negotiate the U.S.-Canada accord, said that Ottawa should follow U.S.-Latin American trade developments "with keen interest." Ritchie told Maclean's: "We enjoy a preferential arrangement with the United States. But once someone eliminates tariffs for other countries, we no longer have that preferential access." Still, Laurent Thibault, president of the Canadian Manufacturers' Association, cautioned that hemisphere free trade could provide a counterweight to the powerful economic blocs of the European Community and Asia. At North American manufacturing is forced to move to low-cost, low-wage countries, he argued, it is preferable that it go

This Elegant Carriage Clock

Yours with Maclean's at 55% off*

Enjoy this classic combination: Maclean's for only a \$1 a week and this handsome Carriage Clock as YOUR GIFT!

ROUND-THE-CLOCK COVERAGE

In a new decade of stage-managed news and media events, when substance plays second fiddle to style, where do you turn to find out what's really going on?

Every week more than 2.5 million Canadians turn to Maclean's. And the reason is simple: no one else provides the depth of reporting on national and international news that you will find here!

TIMELESS ELEGANCE... TIMELY SAVINGS

And just as Maclean's brings you timely news reporting at its very best, so this beautiful Carriage Clock reflects the best in personal timekeeping.

Classic Roman numerals on the face of it, and inside, a precise electronic quartz movement — with sonic alarm — that never needs winding.

PERFECT TIMING

Best of all, this handsome Carriage Clock is for you at no extra cost when you take Maclean's for just a \$1 a week. Don't wait a second longer to get Maclean's... complete and mail the order card TODAY!

Maclean's

THE WELL-INFORMED CHOICE

*The full subscription price of \$1 a week makes you 55% off the \$2.24 cover price. \$1 covers 60¢ (GST included).



ENJOY THE LUXURY OF IMPRESSING YOURSELF.

THE 1990 MAZDA 929 S

Over the past two years, the Mazda 929 has established itself as a true contender among luxury sedans. In fact, a recent Maritz study showed Mazda 929 owners rating their car significantly more impressive than comparable Toyotas and Hondas.

Now comes the 1990 Mazda 929 S. With a potent new 3-litre DOHC 190 hp V6 that is a marvel of smooth, responsive power.

With refined new styling, even more luxurious interior appointments. And backed, like its forebears, by the best warranty in the business.

Call your Mazda dealer and arrange to test-drive the Mazda 929 S. What before was impressive has taken on new stature.

Go ahead, indulge yourself.



mazda

MAZDA QUALITY IS BACKED BY THE
BEST WARRANTY IN THE BUSINESS.

Whose news do most choose?



More Canadians get their news and analysis from a single issue of Maclean's than from any other single news vehicle: any radio or network TV newscast or public affairs program, daily newspaper, other newsmagazine or any other source.

Thanks to you for being one of the 2.4 million Canadians reading Canada's Weekly Newsmagazine this week.

Maclean's

THE WELL-INFORMED CHOICE

WORLD



Marcos and Spence: the first prosecution of the wife of a foreign head of state

THE UNITED STATES

Glitz and greed

The Marcos racketeering trial winds down

It has been the stuff of tragedy and sensational tabloid headlines, of movie stars chomping with emotion on the witness stand and jewelry shopping sprees that totalled \$50 million. But so the three-month-long fraud-and-racketeering trial of former Filipino lady Imelda Marcos and South arm dealer Adnan Khashoggi wound up in a cramped New York City courtroom late last week, and a jury deliberated over the weekend, two solidifying portraits emerged. On the one side was the prosecutor's Imelda Marcos, a clever power broker who allegedly helped her husband, Ferdinand, loot the Philippine treasury of more than \$250 million, secretly buying low Manhattan diamonds. After they went into exile in February, 1986, prosecutors charged, she conspired with Khashoggi to conceal her ownership in defiance of an American court injunction. On the other side was her defense's depiction of a loyal wife, ignorant of financial affairs, whose only crime was that she was "a good-luck sleeper."

But as the jury began studying the evidence from 95 witnesses and 300,000 documents, Judge John Korman called the trial "an unprecedented prosecution in the annals of American jurisprudence"—the first indictment in U.S. history of the wife of a foreign head of state.

The spectators' lazeback stretched record lengths for the testimony of movie star George Hamilton, Marcos's sometime dancing partner, who met her in Manila in 1979. After the judge ruled against admitting evidence showing that Hamilton had received a loan of at least \$5.9 million from a Marcos-linked bank account, the greying actor delivered an emotional tribute to her for saving his mother from

suicide after his brother's death.

The trial had to be delayed twice after Marcos herself broke down in tears. The first time came at the sight of a suitcase that U.S. customs agents had seized in Hawaii, where the Marcoses fled during the 1986 revolution inside a box marked "To my husband on our 34th anniversary" containing 24 gold bars. On the second occasion, doctors rushed her with an electronic heart monitor after her blood pressure rose. But the mother's periodic heeps failed to provide advance warning when, on May 23, Marcos accused the courtroom by suddenly falling forward at the defense table, vomiting blood. She was rushed to hospital, where doctors diagnosed a gastric ulcer.

While in hospital, Marcos had to put down an insurrection within her own defense team over whether to fire the flamboyantly talky Wyoming attorney Gerry Spence. The lawyer had infuriated her family by provoking a public dressing down from the judge after, among other things, delivering a rambling opening statement in which he promised to produce one witness who turned out to be dead. Still, after his theatrical closing argument, using his trademark over-the-top dramatics as a prop, a believing Marcos indicated that she felt Spence had earned his \$5.8-million fee.

Khashoggi's lawyer, James Lin of Oklahoma, also failed to deliver on his central promise. He said he would show that his client had been forced into helping Marcos by the pressure of communists for funding a safe port, particularly in the Arab world, for a ship full of gold. That cargo was part of the wealth that Marcos once claimed to have discovered in a Second World War gold haul that the fleeing Japanese army had abandoned in the Philippines.

The case offered riveting glimpses into the Marcoses' secretive and highly superstitious regime. Both the former Philippine president and his wife used their lucky number, seven, or pseudonyms on their covert bank accounts. At one point, Professor Marcos's top financial adviser, Rolando Garcia, testified that the ex-president even ordered him not to tell the first lady about some of his financial dealings. But both shared a fondness for cash. And Oscar Carnes, former head of the New York branch of the Philippine consulate, testified that, whenever Imelda Marcos visited the city, his job was to deliver \$117,000 in bundles of bills to her hotel several times each trip. Defense attorneys tried to discredit Carnes by showing that he had sketched the interest from Marcos's accounts. But as Lallena noted, Carnes was rewarded, not punished, for his services in 1982, he became consul general to Canada.

Whether the jury's verdict on Marcos, politics could ultimately decide her fate. As Judge Korman indicated in voicing his reservations about the case, even if Marcos and Khashoggi are convicted, President George Bush may still find a convenient way to grant a pardon to the wife of a former U.S. ally—an ally whom then-vice-president Bush once praised for his "adherence to democratic principles."

MARK MC DONALD is in New York

TWO FACES OF ISRAEL

The wide-bodied El Al jet tucked to a halt at Israel's Ben Gurion International Airport and discharged its diverse human cargo from the Soviet Union. Down the steps trooped dark-eyed, swarthy newcomers from Samarkand and sophisticated, fair-skinned refugees from Leningrad, Moscow and Kiev—few of them carrying passport docs, but they had refused to leave behind. There were many families with small children, and several children young enough, holding hands as they stepped tentatively into a strange new world. And there were old people, still infirm, bewildered victims of the Second World War, as well as war-torn laborers (gradushniki) from the winemaking plains of Ukraine. They did not expect to start their lives again, the old people said, but to end them in peace. "We have come home," said 63-year-old Shym Anoshovich. Yegorina from Belorussia. The 230 Soviet arrivals were part of the annual convention of Soviet Jews to Israel, which is changing the face of the Middle East.

The Israelis, recalling the biblical exodus from Egypt in the 13th century B.C., are calling it Exodus '90. To them, greeting the nighty night with tents, kumatz and flowers, 100 protests are an enormous opportunity, a dazzling challenge and a dramatic reaffirmation of the reason for their country's very existence: to serve as a refuge or persecuted Jews from around the world. But, to the Palestinians of the Israel-occupied West Bank and Golan Strip, and to the Arab world at large, the movement seems more a nightmare than a dream. Even moderate Arabs complain that the massive influx of Soviets is tipping the Middle East ethnic balance. But, to the Jewish state's leader, and that it represents a major new setback to the Palestinians' struggle for a state of their own in the occupied territories. As Jordan's King Hussein told *Maclean's*: "We have to be shrewd" (page 36).

Even so, says *Maclean's*, the numbers are staggering. In June alone, about 15,000 Soviet Jews arrived in Israel, swaying the balance of economic and political clout, and an upsurge of neo-Sionism (page 38). In August, as many

THE MASSIVE INFLUX OF SOVIET JEWS HAS INFLAMED ARAB HOSTILITY

as 30,000 more are expected, and by year's end the total for 1990 could reach 200,000, bringing a multitude of professional skills to a tiny nation that will be hard pressed to put them to immediate use (pages 36 and 37). In all, more than one million Soviets have signaled their intention to emigrate to Israel.

Unlikely Israeli officials admit that there is a big connection between the latest influx, or return to Israel, and the influx of the Palestinians in the occupied territories (page 38). But, with Israel under the most hostile government in its 43-year history and the Middle East peace process at a standstill, many Arabs have drawn their own pessimistic conclusions. And last January, Israeli Prime Minister Yitzhak Shimon himself suggested a linkage when he said that a big influx equaled "a big Israel." That incautious remark inflamed latent Arab hostility to any major increase in Jewish immigration. The Israeli government has repeatedly issued assurances that it will not seek new immigrants to live in the West Bank and Golan Strip—although it will not prevent them from living there if they want to.

Last week, Housing Minister Ariel Sharon, the controversial ex-general who launched the program to absorb the new immigrants, reinforced the official position. He said that the government would build housing for the immigrants only inside the Green Line, the border

that existed before 1967, when the Israelis captured the West Bank and Golan in the Six Day War. Explaining the reasons for that decision by a hardline government that is otherwise committed to a growing Jewish presence in the territories, Sharon said that he did not want to jeopardize "this historic opportunity to bring these Jews home."

Clearly, Sharon had in mind Soviet President Mikhail Gorbachev's recent threat to stem the flood of emigration of Soviet Jews were sent to the West Bank and Golan. Many analysts say that Sharon's move was also an attempt to defuse U.S. opposition to Israeli settlement in the occupied territories in general. And in linking the areas whose immigrant housing would be built—Golan, the Negev Desert, the West Bank and the region around Old Anan—Sharon made no mention of East Jerusalem. That area has been part of the West Bank until the Israelis annexed it in 1967, and its loss remains a particular grievance with Arabs.

Resisting: Only about 150 of the 50,000 Soviet Jews to arrive so far this year have settled in the West Bank and Golan. But some diplomats say that 50 per cent of those Israeli-fused homes in East Jerusalem. And the government's position is not entirely clear. Asked by *Maclean's* last week to clarify whether Sharon's statement meant no new housing in East Jerusalem, Sharon replied with a cryptic statement: "It doesn't mean in Jerusalem [housing] will be built," he said. "I don't know what it means. Arab organizations or West Jerusalem. Houses will be built."

Sharon, the ultraconservative architect of Israel's 1982 invasion of Lebanon, has a huge and complex task in managing the new immigrants. The Soviet influx, taking place over an estimated three-year period, will increase Israel's existing population by about 25 per cent, to 5.5 million Jews, 4.5 million. The immigrants



Soviet Jewish immigrants at Ben Gurion airport; Sharon opposes a refuge for persecuted Jews

need housing and employment, and the government will have to pay for education and health care. The cost will be enormous. The Jewish Agency, a semi-official body that oversees the resettlement of Jews from abroad, and the volunteer organizations that work with a worldwide home beyond a massive fast-track drive. Jewish leaders outside of Israel say that they hope to raise at least \$700 million if the agency's \$4.2-billion overall resettlement budget. The Jewish communities in Canada and the United States will provide most of the outside funding (page 31).

For the Soviet Jews themselves, the process of aliyah has to begin with a written invitation, arranged by the Jewish Agency. From a relative already in Israel. Individuals or bands of families can then ask for exit permits from Soviet authorities, who now impose virtually no restraints on Jewish emigration. They also apply for entry visas from the Israeli consulate office in Moscow. Applications are currently running at the rate of 1,000 families a day.

In fact, the criteria set by both Israel and the Soviet Union seems remarkably liberal. Soviet

prison in the Soviet Union for his campaign supporting the right of Jews to emigrate, and that the Israeli government has indeed interpreted the Law of Return liberally for the new wave of immigrants. But Sharanovsky, who went to Israel in 1968 and now lives in Jerusalem, told *Maclean's* that government lethargy and bureaucratic inefficiency had left Israel's infrastructure for the flood of new arrivals. Still, he was encouraged by Sharon's recent declaration that dealing with the immigrants is now Israel's top priority. "The cynicism that the country can run to the challenge," and Sharanovsky. "The morale of the people is high and the list of volunteer helpers is even longer than the list of new arrivals."

Professionals: Certainly, the fresh arrivals bring a rich infusion of new blood to the Jewish state. Among the 230 passengers who stepped off an El Al DC-80 from Budapest one night recently, a significant proportion were professionals: physicians, engineers, technicians, musicians, artists and educators. Liana Vengayeva, an artist from Leningrad who was celebrating her 38th birthday, as well as her arrival in Israel, told *Maclean's*, "Now, at last, I feel Jewish." Pavel Bruckin, an 18-year-old student of cybernetics who is also from Leningrad, appeared disappointed when asked if he would have preferred to go to the United States, an exact Soviet Jewish emigrants did in the 1970s and the 1980s. "Why America?" he asked. "I always wanted to come to Israel."

Other immigrants expressed similar views. Anna Krasnaya, 37, who came from Leningrad to join her children and grandchildren already in Israel, declared, "I want to be here. All of those interviewed said they had pulled up stakes, leaving about everything they owned behind, because of rising anti-Semitism, economic frustration and personal freedom, which they did not believe Gorbachev's planned could provide. And all expressed a willingness to take relatively modest work until more appropriate employment becomes available.

Israelis who are helping to smooth the newcomers' transition spoke warmly of their adaptability. "Today's immigrants are very different from those who came in the 1970s," said Ruth Bar On, executive director of the Israeli Public Council for Soviet Jews, a volun-

PHOTOGRAPH BY MICHAEL



COVER

UNDER ISRAEL'S LEADERSHIP, THE PEACE PROCESS IS AT A STANDSTILL

teen agency. She added: "They are much more flexible, much more ready to show initiative and much less Jewish. Most of these people have been entirely cut off from their Jewish roots and have nothing of our culture or identity." In fact, some of the men have been inquiring anxiously if they would have to be reconverted to become Israelis. There is no such requirement, but officials report that hundreds of new arrivals are voluntarily undergoing the operation, under general anesthesia, as an affirmation of their newfound Jewish identity.

Economics: The unexpected specter of the new arrivals is evident. Instead of going to government absorption centers, about 90 per cent of them are moving directly into housing that friends, relatives or volunteer agencies have found for them. Each heavily taxed receives

a so-called absorption basket of \$2,000 (about \$1,200), which they can use for rent or anything they wish. Officials give them about one-third of that sum at the airport, and the rest comes in monthly cheques during the first year. Many families economize during their first few months by dwelling and even sleeping up in basements and apartments. Coming from the Soviet Union, they are used to overcrowding and are clearly prepared to put up with that a little longer, until they have enough money to move to something better.

That willingness to share accommodations, and the surprisingly large pool of rental housing available, have helped to prevent a crisis. But as the number of new arrivals continues to swell, the need for Israel to start building at a greatly accelerated pace is growing more urgent. Currently, the so-called aliyah

A Hebrew class for new immigrants the cost will be enormous

class, headed by Shalom, is occupying the pines and oaks of repurposed prefabricated houses and establishing colonies of mobile homes. Last week, some housing experts warned of a total disaster on the taking shopped and large-scale building started. Some observers expressed confidence that Shalom would get the program moving. "Even people who hate him say that he's the man for the job," said Ben-On. "There's a feeling of desperation, a confidence that he won't allow things to go wrong."

There is also the problem of providing work. Many economists point out that the construction program itself, and the need to create initial social services, will generate jobs and stimulate the economy. According to a recent Bank of Israel study, between 300,000 and 400,000 jobs will result, one-third of them for engineers and one-third for doctors, dentists and paramedics. But, clearly, large-scale foreign investment will be required to create new industries to absorb the skills of the newcomers.

Unemployment: For some types of Soviet professionals, experts say, Israel may never provide appropriate work. The current wave of immigration includes thousands of musicians. But Israel already supports three full-time symphony orchestras, and it seems doubtful that it can afford any more. In a suburban Tel Aviv community center last week, George Shalom, former executive of the Odessa Symphony, told 45 immigrant musicians in a rehearsal of Beethoven's First Symphony. Gotcha! He was employed and living on government handouts, as are most of his players. Somehow, they say, they hope that funding will be found for a new, all-Soviet symphony orchestra.

Perhaps unfortunately, the Palestinians of the occupied territories have little sympathy

for the plight of unemployed Soviet Jews, whatever their cultural level. "The immigration of Soviet Jews is a scandal," said Moshe Abul-Stoff, a former member of the Knesset parliament who now heads the Palestine Land Development Society, the Hebrew ally's equivalent of the International Red Cross, in Gaza. "It makes a mockery of human rights. It is the Palestinians refugees who should have the priority of being settled in the land."

Added Shalom: "We have no prejudice against Jews. If they were given their choice, they would go to America or Canada. They are being used as pawns to distract a just and fair peace."

Fragile: That just and fair peace settlement looks as far off as ever. Analysts say that the fragile peace process of the past year has barely begun under Shalom's new hard line. After forming his right-wing government on June 11, after three months of heading a caretaker government, he rejected U.S. offers to arrange Israeli-Palestinian negotiations in Cairo. He also declared his intent to discuss a hand-over of territory and anything but strictly limited autonomy for the Palestinians. Last week, it is now quite likely to President George Bush, Shalom again refused to accept American proposals designed to give Israeli-Palestinian peace talks, although Secretary of State James Baker said that the larger role of "defusion" and would require further study.

Meanwhile, the individual grudge as, although, apart from periodic threats, it is being kept within what Israeli clerics regard as acceptable limits. Some diplomats in Tel Aviv say they do not accept the Israeli position that the issues of olive and anything are entirely separate. "Allye speaks hope for Israel, but despair for the Palestinians,"

said one Western ambassador. "They are no longer people who think that history is no longer on their side." He was referring to the obsolete demographic argument that, before the Soviet offers, held that by early next century, the higher Arab birthrate would push the Palestinian population of Israel and the occupied territories, now standing at 2.5 million, beyond the Jewish population, which is now 3.7 million.

Another diplomat agreed that, as a result of the unexpected surge of Soviet immigration, the Palestinians have "once again managed the

shadows of the Jewish Agency and a Labour Party supporter." An Israeli with a sense of security is a different Israel. It will be more management at the negotiating table.

But the prospects for even holding such talks appear flat at best. And although Bush and Baker have expressed open irritation at Shalom's intransigence, there is no suggestion that they would pressure Israel into concessions by threatening to cut the \$2.5 billion a year in American aid.

Emotional: Meanwhile, the public pulse continues to surge rapidly from Eastern Europe through their emigrant corpses. "This is my homeland," said 50-year-old David Rogin, a Longwood traffic manager, immediately after arrival. "My heart pulled me here." With such emotional declarations, the newcomers are stating their own claims

on a already disputed land. In the process, Roshni '86 has become a unifying symbol, steadily changing the mathematics of the Middle East power equation as Christianity is any of Israel's military conquests.

standpoint its dialogue with the PLO two weeks ago over Arafat's refusal to condemn an extremist PLO leader's unprovoked coastal raid against Israel on May 36. The hard-line Israeli government is threatening new methods to crush the intifada. And many observers say that the mass Soviet immigration may encourage the government to hunker its attitudes even further.

Still, even some middle-of-the-road Israelis insist that the Palestinians have nothing to fear from the latest aliyah. "The Arabs should welcome the immigration because it will strengthen the character of the Jewish Agency and a Labour Party supporter." An Israeli with a sense of security is a different Israel. It will be more management at the negotiating table.

But the prospects for even holding such talks appear flat at best. And although Bush and Baker have expressed open irritation at Shalom's intransigence, there is no suggestion that they would pressure Israel into concessions by threatening to cut the \$2.5 billion a year in American aid.

Emotional: Meanwhile, the public pulse continues to surge rapidly from Eastern Europe through their emigrant corpses. "This is my homeland," said 50-year-old David Rogin, a Longwood traffic manager, immediately after arrival. "My heart pulled me here." With such emotional declarations, the newcomers are stating their own claims

on a already disputed land. In the process, Roshni '86 has become a unifying symbol, steadily changing the mathematics of the Middle East power equation as Christianity is any of Israel's military conquests.

JOHN HERMAN is Jerusalem with *Kiss Kiss*

A PANIC AMONG PROFESSIONALS

There was a panic on the fourth floor of the Jewish Agency headquarters in Jerusalem last month. An elderly official at the charge of Jewish education overseas had become ill. As he lay on the floor of his office, his colleagues ran back and forth, offering advice and glasses of water. Suddenly, the tea lady spoke up. Abandoning her trolley, she ordered everyone out of the sick man's office and back at his side to make a diagnosis. "I checked the man's pulse," said 36-year-old Elia Stenotova-Lachter

"Then, I felt his stomach and found that his liver was enlarged, and from my examination I concluded that he was suffering from gallstones." The official was taken to hospital, where doctors confirmed the tea lady's diagnosis. Surgeons operated on him, and he is now recovering. In fact, the female tea lady is a doctor herself. One of dozens of highly qualified Soviet professionals who have been invited to take medical jobs in Israel.

Stenotova-Lachter, an ear, nose and throat specialist who emigrated to Israel from Siberia five months ago, supports her two small children on government handouts and her \$125-a-month job. She has been unable to practice medicine without first learning Hebrew and acquiring, and she says that she is angry at

the Israeli bureaucracy, which she described as "slow as had as Russia." She may be able to quickly learn six months, but even then she might not find work in her own field. Doctors are already in oversupply in Israel, and thousands more are coming from the Soviet Union.

It took an unusually long time to bring Stenotova-Lachter's predicament to public view. But there are many other professionals in the same position. Finding fulfilling employment for the thousands of Soviet professionals now pouring into Israel promises to pose a major challenge for the Jewish state.

J.R.

A SMOOTH LANDING

Although most Old Testament warriors were aggressive, others were not. A postcard recently associated with the ancient state of Israel. Now, given an idyllic climate, an idyllic climate. But Soviet-Jewish immigrants Alexander Lachter, 42, and his wife, Galina, 36, are making a success of their new lives in Israel as experts at those two sports: making an idyllic climate and a new home. Soviet immigrants' experience. Alexander is now chief instructor for the Israel Archery Federation. And Galina is an

archer, preparing children for the Israeli three-day archery championships at an outdoor arena in the town of Beit Yotz, south of Tel Aviv, where the Lachters now live.

In the Urpagan city of Odessa, where they lived until February with their 20-year-old son, Maxim, Alexander Lachter was a senior archery shooter for the state sports agency. Galina worked for the same agency and trained three-starred champion Viktor Petukhov, who was a bronze medal at the 1988 Calgary Olympics. "In the Soviet Union," said Alexander, "we were privileged people." But, he added, "I kept hearing and things being said about the fact that I am a Jew."

At one point last year, Alexander says, he considered moving to Canada. But hearing of

Lachter family at home in Beit Yotz: an easier transition than most

him." The intifada, which began in December, 1987, and PLO leader Yasser Arafat's subsequent renunciation of terrorism and recognition of Israel's right to exist, had put the initiative temporarily into Palestinian hands. But now, more diplomats maintain, that to give advantage has been lost. The United States

has a already disputed land. In the process, Roshni '86 has become a unifying symbol, steadily changing the mathematics of the Middle East power equation as Christianity is any of Israel's military conquests.

JOHN HERMAN is Jerusalem with *Kiss Kiss*



Soviet citizens line up for visas in front of the U.S. Embassy; freedom in sight

FLIGHT OF FEAR

SOVIET JEWS ESCAPE ANTI-SEMITISM

By 10 o'clock each weekday morning, more than 100 Soviet Jews have lined up on Belinskaya Gorkhova Street in front of the Dutch Embassy in Moscow, where Israeli officials process immigration applications. The hopeful emigrants have traveled from as far away as Odessa on the Black Sea and the southwestern republic of Moldova. And although many say that they would prefer to go to the United States, they maintain that once living with Palestinians settled in Israel's occupied territories would be preferable to the anti-Semitism, political uncertainty and economic shortages in the Soviet Union. "It can't be worse than here," said Rana Lajbman, a 35-year-old engineer, as she waited in line. At that moment, a Russian woman interrupted. "Why are you lining up here?" the woman asked eagerly. "Is there something to say?" Lajbman smiled her eyes. "There I say more." She declared, "My mother is 70 years old and, all her life, she has been hoping for a better future. I don't want to repeat my mother's experience."

The exodus of Jews from the Soviet Union, once a trickle, has become a torrent, that is expected to reach 200,000 this year alone. In the 1970s, under Soviet leader Leonid Brezhnev, thousands of Soviet Jews were applica-

tions to leave the country were denied were branded as traitors and became known as "refuseniks." Many lost their jobs, while their leaders suffered in jails and labor camps. That situation changed gradually after Soviet President Mikhail Gorbachev introduced economic and political reforms in 1985. But Gorbachev's reforms also catalyzed an economic crisis and intense anti-Semitism, provoking an even greater exodus of Soviet Jews. Until last October, most of them emigrated to the United States. But then President George Bush imposed a quota of 50,000 Soviet refugees a year, diverting the massive flow of emigrants to Israel.

Discrimination: Many of them differ from the committed Zionists who became reformers in the 1970s. Most do not speak Hebrew, and few actively practice Judaism. Still, in a recent lecture at the Dutch Embassy, Marvin Fisher, 65, a veteran of the Second World War, said that he does not care whether he goes to Israel or to the United States. "My only desire is to break off with the Soviet Union," he said. "I am sure there is no place in the world where a person can feel worse than here."

Although the founder of the Soviet state, Vladimir Lenin, outlawed anti-Semitism as

early, a Russian nationalist group that often makes strong anti-Semitic statements. Jewish groups say that Pamyat distributed pamphlets calling for pogroms against Jews on May 3, although they did not take place. Insults like these have widespread among many Jews. "I had already got used to the everyday anti-Semitism," said 43-year-old Rana Portnyay. "Wherever you are, at a store, at work, you hear people shouting 'You Jews go home.' I was prepared to ignore it." But when Pamyat organized a demonstration in Moscow's Red Square, she said that she knew it was time to leave. Said Portnyay: "It's impossible to live in constant fear."

The word pogrom has an ethnic resonance among those who recall that murdering pogroms that killed scores of Jews in Ukraine in the early 1900s. Alexander, a 32-year-old Jew from the Ukrainian capital, Kiev, also applied for Israeli visas for himself, his wife and their two sons, and said that he is afraid to give his last name for fear of retaliation. "Kiev has a terrible history of pogroms," he said.

Freedom: Many Jews criticize the Soviet government for failing to curtail the activities of nationalist groups. "Maybe our authorities tolerate Pamyat as a display of democracy and freedom," said Anna Iperkly, a Moscow teacher. "It is, I am afraid of such democracy. Let them enjoy their new freedoms without me." Iperkly acknowledged that many Russians resent those who, because they are Jewish, are able to leave the Soviet Union. But she said that she does not consider herself fortunate. "Blessings," Iperkly said, "in being able to live in a free country where you are free." For many Soviet Jews, that happiness has proved accessibly difficult to achieve.

MART NEMETHY with DIANNE KUNIGART
in Moscow

1934, many Soviet Jews say that they suffered discrimination even before Gorbachev's glasnost. Rana, a 25-year-old computer programmer who asked that her last name not be used, claims that he was denied entry to Moscow University because he is Jewish. "In school," he added, "I was humiliated and I had to fight to protect myself."

Serbia: In the past year, many Soviet Jews say, their Israel's closest neighbor, Jordan. The desert kingdom has a 55- to 60-percent Palestinian population and is deeply affected by events in the Jewish-occupied West Bank, across the Jordan River. At well, economic recovery and an upsurge of Islamic fundamentalism threaten the country's stability. In an interview in the royal palace at Amman, Maclean's Senior Writer John Sherman discussed some of their problems with Jordan's King Hussein. Excerpt.

ANGEROUS CROSSROADS

KING HUSSEIN WARNS OF A MIDDLE EAST WAR

Few Arab nations have expressed more concern about recent developments in the Middle East than Jordan's closest neighbor, Jordan. The desert kingdom has a 55- to 60-percent Palestinian population and is deeply affected by events in the Jewish-occupied West Bank, across the Jordan River. At well, economic recovery and an upsurge of Islamic fundamentalism threaten the country's stability. In an interview in the royal palace at Amman, Maclean's Senior Writer John Sherman discussed some of their problems with Jordan's King Hussein. Excerpt.

Maclean's: How do you view the new Israeli government's composition?

Hussein: It's a very ominous development, a gathering of the dark forces of a very dangerous moment. It is a judgment based on the politics that have been declared by this government regarding negotiations with the Palestinians, regarding Jewish settlements in the occupied territories, and the fact that they are going to do their best to ensure that the resistance to the occupation is minimized as much as possible. For all these reasons, I regard the situation with great concern. The peace process in this area doesn't exist anymore.

Maclean's: Are you opposed to mass Soviet immigration into Israel or merely to the settlement of Soviet Jews in the occupied territories?

Hussein: I'm not opposed to immigration into Israel. I'm opposed in terms of the principle of people's lives and rights and their right to move, but everything is being done to see that these people are being denied their human right to settle where they want. They are being encouraged and forced to move in one direction only, and that is to Israel. If new human rights are being denied at all, it is at the expense of the human rights of the Palestinians.

Maclean's: How will this mass immigration affect the stability of your country?

Hussein: Very seriously. The Likud party and its partners control the occupied territories

to be part of Israel, and even before this immigration, the attitude and commitment of the Likud press minister was one that at best could agree to peace in place, contrary to UN resolutions 242 and 338, and not recognize the Palestinian rights on Palestinian soil. Now, we have new realities, and people in the occupied territories are going to suffer more, and so

will, and therefore there is the potential for an eruption. This could produce an explosion that will very adversely affect everything that the world is trying to achieve.

Maclean's: Many people in the West who adhere your moderation are concerned that you have become too close to President Sadat. Hussein of Iraq, who is considered to be a radical, is there the case?

Hussein: That is an unfortunate perception. All that Iraq has said in its recent statements about Israel is "Peace don't let it go, because if you attack them, then we will respond with everything we have." After eight years of war against Iraq, Iraq is a far more mature, responsible country than before.

Maclean's: But Iraq has used chemical weapons, even against its own Kurdish population, and now seems on the verge of acquiring a nuclear capability and perhaps more of that doomsday gun. Are there real reasons for concern?

Hussein: I believe the problem is really the [American] commitment to Israel to keep it technologically ahead of the entire Arab world, and that is very deeply resented by all of us. As for weapons of mass destruction, we are certainly more than happy to see them all removed from the region. Israel has been a nuclear power since 1967. We have no doubt that Israel has these [chemical and nuclear]

weapons, and we are talking about the removal of such weapons. We should not be selective.

Maclean's: If you are spending right now to U.S. Secretary of State James Baker, President George Bush, what would you say to them?

Hussein: Both of these are personal friends and people I admire very much indeed. I would say: "Look at what's happening in your own national interests and the interests of the world, and the future generations of this area, both Arabs and Israelis alike. And please be enlightened, don't use double standards, please do whatever you can to save the situation before it is too late." And it has never been so dangerous as it is right now. □



Queen Noor and Hussein: "The peace process doesn't exist anymore"

Maclean's Senior Writer John Sherman discussed some of their problems with Jordan's King Hussein. Excerpt.



COVER

A CALL TO ARMS

ABUSE HAS BECOME A WAY OF LIFE

It was a minor and nearly unnoted on a relatively uneventful day in the Gaza Strip. Protesters had stoned Israeli soldiers patrolling a refugee camp and, while the troops were chasing their assailants, they injured an eight-year-old Palestinian girl named Hiba. "Beaten by the army," said her father, Yusef Abdullatif, as he led her, tear-soaked but silent, into the emergency room of Gaza City's Al-Arab Hospital. From what the girl said, it seemed apparent that a soldier had tripped her. X-rays showed the base of her left upper arm was cracked. Hiba's plight represents one of the two faces of Israel. On the one hand, it is a country that sends its arms to thousands of Soviet Jewish immigrants; on the other, it occupies and often oppresses the Palestinians West Bank and Gaza Strip.

Last week, European Community leaders meeting in Dublin added their collective voice to international condemnation of Israel's human rights record in the occupied territories, where the 20-year-old intifada, or uprising, continues. An Israeli government statement dismissed the EC's allegations as unwarranted. But foreign doctors and aid volunteers who work among the Palestinians confirm the viciousness of abuse—and say that children are among the principal victims.

In May, the Swedish Save the Children

organization issued a detailed four-volume study of the status of Palestinian children in the territories. The report cited "admirable" housing, tree-planting and schooling of children at home, as well as outside the house, playing in the street, sitting in the classroom or going to the store for groceries. They also suffered abuse, the report said, for "failing V-for-victory signs, chanting nationalist slogans, taunting and jeering at soldiers, hanging Palestinian flags in school courtyards, dancing flags from poles, visiting caravans or participating in demonstrations." Israeli authorities vehemently deny that violence against children is intentional. But the Save the Children report states that it is "severe, indiscriminate, multidimensional and recurrent."

Ruins In Gaza, as a doctor put the Palestinian girl's arm into a cast, her father recounted a series of family catastrophes that he blamed on the Israeli army. His wife, Abdullatif's eldest, was "half dead, half alive" after an Israeli soldier fired a plastic bullet that struck her in the head. A 14-year-old daughter was mentally injured as a result of a similar wound, he said. And his 15-year-old son was recovering from a leg wound caused by an army bullet during a clash between troops and protesters. Abdullatif produced a receipt to show that he had paid a fine of \$450 for his son's offense, taking part

Israeli soldiers carry off a Palestinian: opposition

in an illegal protest. That fine equaled three weeks' wages for Abdullatif, a bookkeeper in Israel. He declared, "They shoot my boy, and then I have to pay them money."

Military oppression and economic hardship have become a way of life in the territories. Still, the Palestinians appear determined to continue the uprising. "There is no way to stop it," said Makdumi, a 35-year-old laborer who declined to give his last name. Hiba, a 22-year-old activist in a Gaza refugee camp, said that the Palestinians plan to escalate their campaign. "The use of arms will be the next phase in the intifada," he said. "There are many people hidden away—we buy them from the soldiers in return for cash." But Kana, 26, said that the Palestinians should not use weapons more lethal than stones or petrol bombs. "I still prefer civil disobedience," he said. "I will resist to arms, we will be hopefully captured."

But Shukh Barana Sad Saker, leader of Jerusalem's Al-Aqsa mosque, said that some religious fundamentalists were calling for the use of arms. Asked whether that might cost the Palestinians the sympathy of the outside world, Saker replied, "World opinion will understand when we are forced to resort to arms."

Peace: The most radical religious factions in the territories remain outside the so-called United National Command. It represents four major factions of the PLO and acts as the agents for the intifada by issuing clandestine instructions for strikes and other protests. The PLO offers a so-called two-state solution in which Israel and an independent Palestine would live side by side with mutual security guarantees. But the fundamentalists insist on the return of all of Israel, as well as the territories, and their followers are growing steadily. Some analysts say that they may eventually be able to take control of the intifada.

When a *Maclean's* correspondent, accompanied by an interpreter, visited the Bethlehem home of a reputed fundamentalist leader, the man refused to give his name. He also refused to discuss political issues. "I have nothing to say to you as a journalist," he said, "but as a stranger you are most welcome." The tall, bearded man, apparently in his early 40s, moved the visitors into his house, where he engaged in polite small talk over glasses of hot tea. The cool tones of hospitality deepened, the visitors left, with parting wishes all around of *ni'halawna*, or "peace be with you." But peace to the occupied territories is in short supply indeed, the commanding officer is likely to produce more more victims like Hiba, further tarnishing the image of an Israel that offers a haven to Soviet Jews but does not allow the Palestinians a stake of their own.

JOHN REEDMAN in Bethlehem

Number 7 in a series

THE INSIDE STORY

TOURING



ONTARIO

By Steve Sawyer

Americans in the winter it was fantastic cross-country skiing with very well groomed trails. ☐ Chase when we were up in the winter and everything was frozen, we really had to rough it because it was too dangerous to use the snowmobiles to get supplies into the lodge. We had to camp near the railroad and keep the wood stove going constantly, but that was all part of the fun of it. My uncle was a great storyteller and he would tell us about being out in the bush in very isolated areas and having to stretch himself up when he had an accident. ☐ I remember we had a homemade sauna at the camp that we used to enjoy all year round and in summer take a plunge in the lake. In the winter you could have a sauna and then roll around in the snow! We would often go ice fishing for speckled trout. ☐ In the summer my brother and I would go fishing and race the boats and do some exploring. The area is very rugged with thick bush and beautiful lakes surrounded by hills. ☐ The actual camp is closed now, but the railway trip coming back from the lake is great. The train descends into Agawa Canyon and there is a park there with a fantastic gorge where the river comes through. You can stop there and have a picnic and just enjoy the scenery. ☐ My family has since sold the property, but it would certainly be a great vacation trip up to the area for someone who just wants to get away from it all. (compiled by Laura Oshibson)



From train to Canada's top cities and cities a short walk in the 34 Olympic. He finished third overall in the 1988 Tour de France. He is also a member of the 1988 Tour de France. He is also a member of the 1988 Tour de France. He is also a member of the 1988 Tour de France.

STEVE SAWYER ON KIWANGA LAKE AND AGAWA CANYON and can see it for your city of THE INSIDE STORY and more information on travelling in Ontario call toll-free 1-800-363-3636 or 1-800-363-3636.

Incredible
ONTARIO

Ministry of Tourism & Recreation Ken Black Minister



TIME IS ON OUR SIDE.

Time is a luxury. So, why not make it work for you. We do because we age our gin. No one else does. That makes it cleaner, crisper, drier, more refreshing than the others. Taste what time does for gin in a bottle of Seagram's Extra Dry Gin."

THE ONLY AGED GIN. TASTE IT.

COVER

FUNDING FOR FREEDOM

NORTH AMERICAN JEWS RAISE MILLIONS

The stark blue-and-white placards proclaim, "Operation Exodus: The time is now." Planted on newspaper lawns and at foot of Jewish community centres across Toronto, they are the most visible signs of a massive fund-raising campaign today to pay for the transport and resettlement of hundreds of thousands of Soviet Jews to Israel. The Jerusalem-based Jewish Agency, which is in charge of the Soviet immigration, has asked Jews outside of Israel to contribute at least \$700 million to the effort. And in Canada, Jewish organizations are working to raise at least \$117 million. Saul Steinberg (right), a community organizer for Toronto's Operation Exodus campaign, "usually, in fund-raising you encounter cynicism from people. But now the politics, personal motives or religious affiliations that often get in the way are being subverted."

Campaign: Operation Exodus is an addition to the secret drive to pay for Jewish agency and social services worldwide. In 1982, the Jewish Agency launched the last special campaign, Operation Moses, to help 20,000 Jews who fled to Israel from famine-stricken Ethiopia. But organizers of this campaign shied after the Marxist Ethiopian government stopped letting Jews leave—a scenario that many felt could be repeated in the Soviet Union. Saul Les Scheinman, national president of the Montreal-based Canadian Jewish Congress



Scheinman: getting Jews out quickly

"Our aim is to get as many Jews out as quickly as possible while the doors are still open."

few of the current wave of Soviet Jewish emigrants are coming to Canada. Under the family reunification provision of the Canadian Immigration Act, immediate family mem-

bers—parents, siblings or children—of a Canadian citizen are given priority for immigration visas. But Jewish groups have been pressing Ottawa to make special humanitarian provisions to allow more Soviet Jews to emigrate.

Struggle: Mark Karpavich, a spokesman for External Affairs, said that the government does not plan to introduce such provisions unless "it becomes clear that Soviet Jews were in great physical danger, systematically and en masse." But he said that the government is considering extraditing normal immigration processing in Moscow that would allow some Soviet citizens to come to Canada whether they have family in the country or not. Still, Canadian Jewish officials say that no country but Israel could absorb the vast numbers of people who want to leave the Soviet Union.

U.S. Jewish groups are raising most of the money for Operation Exodus, at least \$400 million. Wendy Davis, national co-chairman of the Canadian Committee for Soviet Jewry at the Canadian Jewish Congress, says that Operation Exodus is the "last chapter" of North America's long struggle to protect the rights of Soviet Jewry. "It is the fraction of a dozen that I never believed I would see in my lifetime," said Davis. "It's a miracle."

ERICA SIMMONS

GERMANY IS A NEW HAVEN

While most of the thousands of emigrating Soviet Jews have moved to Israel, a few hundred have chosen instead to settle in East Germany—despite the fact that the Jews were carried out a policy of genocide against the Jewish people. About 200 Soviet Jews now live at the Altesmilde reception centre on the outskirts of East Berlin. Among them is a woman from Leningrad who said that she feels free to display the Star of David on a case that she had beneath her clothes in the Soviet Union. And a 60-year-old engineer said that he prefers Germany's cool breezes to Israel's scorching heat. Still others say that they want to avoid Israel's political unrest. Declared Anat Blumberg, a Jewish social worker in Berlin: "After years of oppression, many just want a place to live in peace."

Most of the Soviet Jews in East Germany were attracted by ease of entry and the prospect of economic opportunities that will follow German reunification. Unlike Israel, Soviet Jews can go to East Germany without special visas. Once there, the government automatically grants them resident status. East German Prime Minister Lothar de Maizière has also promised that they will be granted citizenship after reunification. At the Altesmilde centre, a former barracks of the notorious Stasi secret police, officials give the newcomers food and the equivalent of \$140 a day, and help them to find jobs. "In connection with our history," said Peter Heye, the centre's chief administrator, "we have a special obligation to the Jews."

Like those seeking refuge in Israel, immigrants to East Germany say that they view President Mikhail Gorbachev's policy of glasnost as double-edged. It has eased travel restrictions, but it has also unleashed anti-Semites. And freedom from persecution may not alter the isolation that Soviet Jews may feel

among the only 2,000 Jews in a united Germany, down from 575,000 in 1933. They may also face resentment. Many Germans have been advocating the designation of Nov. 9 as a holiday honoring the fall of the Berlin Wall—without seeming to recall that Nov. 9 is also the anniversary of Kristallnacht, the 1938 night of the full-scale attack on the Jews. The Soviet Jews, said Simon Knox, a West German-born Jewish student in Hamburg, "come when anti-Semitism here is still strong."

Still, most newcomers express optimism for their future. "I lived for my life in the Soviet Union," said the engineer, who requested anonymity to protect his family still living near Moscow. "The West has special laws against Jews, especially, I think, in Germany." For Soviet Jews, Germany seems a haven after the self-Sovietism in the regions that they left.

DEANE BRADY in Berlin



Canary Wharf: Prince Charles (below): 'Reichmann loves shaking hands with queens and princes—he'll fill the place'

BUSINESS

ON THE WATERFRONT

It is the biggest gamble so far for Toronto's adventurous Reichmann family. Five kilometers from the center of London's financial district—the City—amid abandoned docks and warehouses in the formerly decrepit Docklands district, a gleaming new mini-city is rising by the River Thames. The billionaire Reichmanns, owners of giant Olympia & York Developments Ltd (OYD), are betting that the \$8-billion Canary Wharf development will become the focal point of a new London business district and the gateway to the surging economies of Europe. While half of the office space in the first phase of the project, due to be completed next summer, is unfilled,

THE REICHMANN FAMILY HAS HIGH HOPES FOR ITS \$8-BILLION CANARY WHARF PROJECT IN LONDON

the project managers say that they are pleased with the occupancy rate, although critics say that the risk of failure is still great. Last week, despite a deepening real estate slump in London, the world's largest private development project opened closed to mobility when American Express Inc. announced that it will establish a European headquarters at Canary Wharf, putting its major London operations with 1,500 employees under one roof for the first time.

The Reichmanns have overcome huge odds before. In 1987, the same year that they assumed sole responsibility for Canary Wharf from three other partners, they completed the

spectacular \$1.3-billion World Financial Center in New York City. Despite widespread doubts that cost would find tenants for the 60-story, located in a previously rundown area near the tip of Manhattan, it is virtually 100-per-cent leased. The much larger Canary Wharf project, scheduled to be fully completed in 1995, covers a 71-acre rectangle in a waterfront area where trading ships loaded with goods from around the world once docked. Its setting on the north side of the Thames, east of the City, and nearby St. Paul's Cathedral, evokes old London. The historic observatories of Greenwich are located directly across the river, which winds around Canary Wharf on three sides.

When completed in 1995, Canary Wharf will contain 34 structures, including three office towers, two 400-room hotels, recreational facilities and office space for 60,000 employees. It will be O.Y.D.'s European showcase as the company considers the opportunities presented by a united Europe in 1992. As the European economy be-

comes more powerful, the need to replace antiquated office buildings with state-of-the-art office complexes will increase—and O.Y.D., with its Canary Wharf experience, will be in a position to expand even further.

Despite the recent leanings to large financial conglomerates such as New York-based Manufacturers Hanover Corp., Canary Wharf still has problems. With the first phase's eight buildings set to open next summer, there remain some two million square feet available for rent. But a slump in London's financial industry, and a recent construction boom, has led to a major oversupply of office space, driving down rents. Saul Iza Glickstein, president of the Toronto investment firm Glickstein, Shuff and Associates Inc., "Canary Wharf is like a live grenade. If the Docklands was a stock that started out with a value of 100, it has fallen to about six." But because Paul Reichmann, the soft-spoken and reserved billionaire who heads the family company, has been tight on offers in the past, some Glickstein acknowledges that he will eventually be successful with Canary Wharf. Added Glickstein: "He loves shaking hands with queens and princes. He'll fill the place."

Visitors to the construction site are greeted by a stunning spectacle. The skeletons of half-completed buildings reach skyward. In the center, a pyramid-topped office tower designed by acclaimed Argentine architect César Pelli reaches above them all. At 59 stories, the almost completed tower is the tallest skyscraper in Britain, and though spectacular, it has drawn criticism from the highest levels of British society, including Buckingham Palace.

Prince Charles, who has strongly criticized modern English architecture over the past two years, visited the Canary Wharf site for his four-year-old first year and integrated his earlier criticisms that Pelli's soaring office violates the banal scale of many of London's older buildings. Until the 1960s, the dome of Christopher Wren's stately 16th-century St. Paul's Cathedral dominated London's skyline. But Pelli's 800-foot-high tower will be almost three times taller than St. Paul's, and the Prince said that it "will cast its shadow over generations of Londoners who have suffered enough from towers of architectural arrogance."

While its towers are starkly modern, models depicting a completed Canary Wharf appear to fit in better with London's classical architecture. Buildings lined in natural stone and brick curve and sweep around a waterfront plaza that at almost the size of the city's venerable Trafalgar Square. And about one-third of the complex is devoted to public parks, squares and gardens.

The booming construction site, which now provides

Business Notes

SHOP GOES FLAT

Canada's grass-roots-wide product, the sale of all goods and services produced, did not grow in April, after 0.2-per-cent growth in the first quarter of the year. Statistics Canada said that high interest rates and a depressed auto industry contributed to slower growth.

POLLUTING COSTS

Canada's forest-products sector may have to pay more than \$1 billion to comply with proposed regulations controlling pulp-mill waste, according to an Environment Canada report. Ottawa proposes to enforce compliance with the new rules by January 1994. The report estimates that seven pulp-and-paper companies will have to pay at least \$174 million each to comply.

FAMILY FEUD

Robert Campeau ended a bitter feud with his son Jacques, 37, by giving him voting control over almost two million Campeau Corp. shares that were locked up in a family trust established in 1961. In a lawsuit that he launched in December 1990, Robert Campeau, 65, had acknowledged that his son owned the shares, but argued that he could not vote them.

TRUMP'S HOUSEHOLD BUDGET

Donald Trump nervously inverted the collapse of his delinquent real estate and casino empire when banks last week \$25 billion in short-term financing. The banks intended that he will have to limit his personal spending—and they would limit an allowance of \$522,000 a month, or \$4.3 billion a year.

KEER BARRIERS ATTACKED

The United States is challenging regulations as Canadian governments that it claims unfairly increase the price of American beer and limit its availability. The General Agreement on Tariffs and Trade will rule on the dispute. Canadian officials say that the regulations cannot be changed until the three-year-old negotiations to remove interprovincial trade barriers are beer are completed.

SUBSIDY REPLACES

Communications Minister Marcel Masse ended the use of uncertainty for Canadian publishers when he announced \$119 million in direct grants—\$25 million a year for book publishers, starting in 1995, and \$85 million a year for magazines and periodicals, starting in 1994. The grants replace \$220 million in special postal rates that O.Y.D. began eliminating in its April 1993 budget.



3,000 jobs, contrasts sharply with Reichmann's original approach to Canary Wharf. Recalled the developer in a 1998 interview with *Maclean's*: "It was first suggested to me by a former president of Citibank Canada [Charles Young], who was in Citibank in London. He arranged to give me a tour, but I refused to go. I was afraid it was going to be a waste of my time. But then, later, I found out more about it and I became very interested."

Since Reichmann launched Canary Wharf in 1987, numerous obstacles have emerged. In addition to the drop in property values and rents, the October, 1987, stock market crash forced many financial institutions to lay off

staff, which provided London with a booming new business district.

Reichmann says that critics have raised doubts about every major old project in the past, may already be on the verge of proving his critics wrong. Over the past two weeks old assumptions that two major new tenants and a third smaller one will move into Canary Wharf Point, banking and financial services giant Manufacturers Hanover rented seven floors in the Canary Wharf Tower. Currently, however, houses its 1,000 employees in more than six offices in London's overcrowded central business district. Says Hanover vice-president John Zaitse: "We will be able to bring together our

club rule between the two points after taking an hour or more."

As well, the existing railway connections do not have the capacity to service the increasing volume of passengers, and a warzone that lies between Canary Wharf and the London City Airport, just to the west of the Docklands, runs antiparallel. A survey of 200 overseas companies based in London about their relocation plans found that the main perceived unsustainability by public transport was the major factor against locating in the Docklands.

In order to encourage Docklands development, Margaret Thatcher's government has offered old and other developers in the Docklands tax incentives such as government subsidies and relaxed planning controls and, to make the area more accessible, built the Docklands Light Railway connecting it with Tower Bridge station and the City. But the railway's passenger capacity is only 6,000 per hour and several thousand more want to use it. To ease the transit problem, the government last year approved a \$1-billion expansion of London's subway system. The Reichmanns will pay \$600 million of the cost of extending the Jubilee subway line, which winds through central London to Canary Wharf.

On the construction site itself, despite aggressive action by the Reichmanns to speed up the pace of building, other forces have slowed its progress. In January and February, strikes and a series of unusually harsh winter storms set construction back.

In March 1991, Donald D. De-Coninck, chairman of Robert McAlpine & Sons of London, as construction managers on the \$600-million tower and took over the management of the project themselves. Staff Michael Deacon, Canary Wharf's executive director, says: "We have been involved in U.K. construction for more than two and a half years and believe we are now well-equipped for the task."

Indeed, in the past, the Reichmanns have frequently fared ahead on their own in the face of stiff odds and new huge obstacles. In fact, at least five more years of construction ahead of him, and the turbulence in European economies and politics far from over, Reichmann will likely find that his biggest major project is also his most difficult. The fate of such big financial fortunes, as well as one of the world's largest financial capitals, could hinge on the outcome.

PIETRIKA CHODKOWSKI with JAY MATHEW
in London and SERGIJA BATA in Toronto



Thomas and Sergio Bata in Prague
"You would run away!"

Picking up the pieces

Thomas Bata gives Czech capitalism a boost

The managers of the giant state-owned Švit shoe factory in Zlín, a city of 90,000 in central Czechoslovakia, found it a hard lesson as capitalists. In May, they arrived a team of executives from Toronto-based Bata Ltd., the international shoe manufacturer that the Bata family founded in the city 90 years ago, to conduct a capitalist sales seminar. The two sides played a marketing game, and the best managers tried to win by simply raising prices—but their competitors captured the market and won the game—by cutting prices. Švit Bata's team leader, Robert Mayer, "They didn't understand competition. They have been trapped by the Communist system."

Indeed, after visiting the Zlín works in December, 1989, Švit Bata, the wife of 75-year-old company chairman Thomas Bata, and "if you just look at the balance sheet, you would run away."

In fact, the Švit managers, like many others in formerly Communist-dominated Eastern Europe, are eager to learn to survive in a private enterprise system. But unlike many other Eastern European managers, who complain that their factories are hopelessly outdated, the Švit managers maintain that they have enough modern tools and equipment to thrive domestically and compete in the West. What is needed, they say, is the marketing capacity of AMBA and the sales prowess of a New York City

advertising agency. Švit's former chairman, Švit's director of technical development, "We have many talented people here. We can survive."

Meanwhile, Thomas Bata, who visited his birthplace in Zlín last December for the first time in 50 years, says that he is eager to launch his own brand of marketing in the Švit factories. But before the white-haired Toronto multimillionaire gets deeply involved, he said that he wants the government to settle the issue of who owns the factories that he inherited. Thomas Bata, began building before the First World War and that were confiscated by the Communist-dominated government in 1945. Bata claims that he still owns the Švit factory and a demanding reputation. Still, he is committed to helping capitalists replace his roots in Czechoslovakia.

Since returning into power after a bloodless revolution last November, President Václav Havel's non-Communist government has ordered reforms permitting private ownership. But, so far, it has refused to let state-owned assets, such as the Zlín complex, which includes factories run by Švit and Zlín 20, an engineering works that produces shockmaking machines, pass into the private sector. But Eastern European investment agencies predict that, eventually, Bata will receive a substantial share in Švit as returns for supplying new

investment, management expertise and marketing help.

Bata and his officials have discussed the matter with Czechoslovakian officials, but decline to comment on the substance of those talks. During his visit to Švit in May, Mayer, who is chairman of Bata's Charlotte, N.C.-based U.S. operations, and only that "if we are here, we must have good reasons to be here." In the Toronto head office, Thomas Dvornik, Bata's general counsel, confirmed that discussions that began with Bata's visit may also contain the idea. "There are a number of fundamental changes taking place in Czechoslovakia that do not make it easy to make decisions quickly."

"One of the sticking points in convertible currency that it has yet to establish a convertible currency that would allow foreigners to take profits out of the country."

Despite the obstacles, Bata seems determined to re-establish a strong presence in his native country in addition to making the executives in Zlín, in June he recruited Georgina Wynn, 43, Canada's former deputy minister of supply and services, to head his firm's Czechoslovakian activities. Wynn, who was born in Czechoslovakia, climbed quickly through the federal bureaucracy over the past decade, becoming a deputy in 1988. At supply and services, she supervised 9,500 employees and oversaw government procurement, worth about \$1 billion a year.

In Zlín, meanwhile, the sprawling complex of about 20 dozen four- and five-story old brick buildings has changed little from the 1930s, when the Bata shoe-making empire was at its height. By the time Thomas Bata, an eighth-



Prime Minister Mulroney and Reichmann touring the Wharf last year, overcoming obstacles

employees, depressing the demand for office space. Many of the buildings began before the crash, are just now being completed. Last year, an unprecedented 7.5 million square feet of new office space was completed in central London, and this year an additional 9.4 million square feet will be added. With the first phase of Canary Wharf slated to add another 4.6 million square feet by 1993, competition for tenants is intense. In fact, some London real estate agents predict that rental rates will drop a further 20 or 30 per cent this year.

In recent interviews, Reichmann said that Canary Wharf's success because London remains Europe's financial heart and, together with Tokyo and New York, forms an economic and commercial centre for the world. He adds that the move to attract all trade and financial business between the U.K.'s 12 member countries will only add to London's importance as a major financial centre. He is right. Canary Wharf's luxurious, modern offices and retail

London operations in a single building for the first time.

American Express followed with its announcement that it will move into Canary Wharf's Citibank Square, a 33-storey marble-clad building overlooking perfect on-site and the Thomas on the other. American Express chairman James Robinson said that the move will allow the company to "accommodate future business plans, while substantially containing real estate costs."

Still, critics say that Canary Wharf's location remains an obstacle to achieving full occupancy. Within the square mile of the City, businesses and professionals can walk without a passport and exchange goods on the street and in local restaurants. As a result, London property analysts say that some potential tenants are reluctant to forgo that convenience to move to Canary Wharf. While the distance between Canary Wharf and the City is just five kilometres, the only available artery is the frequently clogged East India Dock Road. A

generation outside, died in 1932 when a plane in which he was a passenger crashed into the chimney of one of his own buildings, he had factories at 26 locations and his manufacturing empire was worth about \$40 million. After his death, his half brother Jim took over the operations.

In 1959, after the Norms marched into Czechoslovakia, Tascara Betts and about 1000 Czechoslovakian fled to Ontario, where they established the town of Batavia, 160 km east of Toronto, and set up a new shoe-making business where Betts today employs 600 people, producing 1.8 million pairs of shoes annually. Betts took control of the family-owned company from his uncle later that year, and today it produces 300 million pairs of shoes a year in more than 90 countries.

On his return trips to Zila last December and March, Betts found that much more than the business' external success had insulated the firm. Even the famous office elevator that he had installed to enable him to continue working while travelling between floors still functioned. And he discovered that much of the shoe-making machinery still in use was more than 50 years old. Betts said that it might cost as much as \$100 million to modernize the factories. He added, "We can't afford to dream of financing that kind of operation. That's a World Bank type of thing."

Still, Setts managers claim that their factories can compete without a massive, multimillion-dollar retrofit. They say that Setts has continually updated its equipment and that their main problems are organization and marketing. Still, while Setts makes about 60 million pairs of shoes a year, in recent years it has sold about half of its shoes in the Soviet Union, where most consumers do not have access to high-quality goods.

Setts managers say that they are determined to expand their presence in highly competitive Western markets. The company already exports 15 million pairs of shoes and boots to Western countries annually, including two million pairs of work boots to Canada. Frankish Blarck, a Setts director, said that another group of North American Betts executives who visited Setts earlier this year reported that they were surprised by their findings. He added, "They told us that our leather footwear could not be sold in the West. But they said that our sports wear was very good." Meek said that he was told Setts's women's shoes are too stiff to satisfy

the pampered feet of Western consumers, who prefer shoes made of softer leather.

Still, Meek says that changes are clearly needed. He added that Setts will have to reorganize along Western lines to improve productivity. Management, he added, is not tough enough; workers, who in turn lack incentives to perform faster and more efficiently. DTS



Making boots in Batavia, Ont.: 2.8 million pairs a year

claired Meek. "Way is structured so that there is no difference between the good and the bad workers, or between highly skilled and low-skilled. They all earn the same. We have to change that."

Meek and other Setts managers who blame the structure of the Czechoslovakian economy for much of the company's problems. Under the Communists, Setts gave all its profits to the state. It then reinvested only about 30 per cent in the company, while channeling the rest to the general budget or into inefficient industries such as steel. Said Meek: "We want to be able to keep our own profits here and use them to invest in our own productivity."

Even with a democratic government, Setts is still being hampered by bureaucracy. Indeed, said Setts Betts: "We are the problems of how seven government departments may be involved in any business. One producer, another distributor, but they do not talk to each other."

But if you look at the people and the markets, you feel that there must be a way of finding a solution.

Many analysts say that it will be several months before Czechoslovakia changes the laws governing state enterprises. When Meek received a strong mandate for reform, winning 173 seats at Czechoslovakia's 300-seat parliament on June 8, selling state-owned firms to private—and especially to foreign—investors is still a sensitive issue because of potential layoffs at the plants.

As well, after four decades of strict government control, Setts's managers are finding it difficult to make independent decisions. Said Blarck: "We need new thinking. We will need to rely on ourselves from now on." Meek added: "For 40 years, we worked in a hard way, being directed by managers in Prague. We just had to meet production targets. Now, we must start to work independently. It's as if we changed towns, and the new town is going in the opposite direction."

So far, however, one of the biggest changes in the rehabilitation of the Betts name itself. According to Zila resident Miroslav Zupnick, 71, after the Communists took over in 1948, they painted the Betts family as the archetypal capitalist villains. A government-sponsored novel, *Shoe Machine*, and a movie based on the book vilified the family. Said Zupnick, a writer who has published books in 11 languages: "They presented it as a capitalist tyrant." For 40 years, the Communist spirit kept their soul on the name of Betts. "The town's name was even changed to Gottwald, in honor of the first Communist president of Czechoslovakia, Klement Gottwald."

In January, 1990, the town council changed the name back to Zila, and a statue of Gottwald that had stood in the town square was removed. Outside the Setts complex, a billboard erected in April signalled further rehabilitation. It quotes Betts founder Tivko Betts: "The shortest way to success is the direct way." As well, a note on a wall at the Setts complex presented a new biography of Betts called *Shoemaker to the World*, on sale for 25 Czech crowns, or about \$2 at the official tourist rate. Clearly, in Zila, the trap of the Communist past is finally springing open.

BARBARA WICKENS and
ANDREW FAYLLOY in Zila and
ANDY NALLESSE in Toronto

BUSINESS WATCH



War of the Roses in the new Quebec

BY PETER C. NEWMAN

Dasu de Yto, who plays the head of a lawyer for the unhappy married couple portrayed by Michel Dugas and Kathleen Turner in the 1989 movie *War of the Roses*, decides that since they can't settle on who should get the house after they divorce, they'll have to continue living under the same roof. The consequences are explosive. As enraged Douglas and an exasperated Turner become obsessed with baring each other's body and mind to one another, they kill one another.

The analogy of post-McClellan Quebec as Canada's continuing a divorce while continuing to live together is obvious, but the results are less predictable. For the moment, the only sure bet is that Canada's status quo died with Clyde Wells' last on-screen reproduction of the accord. While the voices demanding Quebec independence remain prominently muted, some of the business leaders I interviewed in Montreal last week were convinced that the way to a new partnership with Canada could still be negotiated—but only with a renewed and very much more decentralized Confederation that would grant Quebec a very special status.

The spouses of three men close to French Canada, "Our businessmen have replaced the judges as the new Quebec heroes," says Pierre Pettigrew, a leading Montreal accountant and commentator: "In the 1960s referendum, the business community was against independence while the artists supported it. They got together on free trade, and now the economic community is at the forefront of the push for more autonomy." The Free Trade Agreement liberalized Quebec's company laws regarding the rest of Canada as its parent market—20 per cent of the province's corporate already move to the United States, 20 per cent to Ontario.

Very Quebec business leaders have much respect for the way Ottawa has managed the national finance, especially its annual \$26-

A new Quebec-Canada partnership can still be negotiated—but only within a renewed and very much more decentralized Confederation

million deficit. The province has been weaning itself from the federal treasury for years. Gilles Falaris, a senior policy adviser to Premier Robert Bourassa, has noted that the proportion of federal funds going to Quebec's provincial revenues will decline to 18 per cent by 1992 from 36 per cent in 1960.

One great advantage Quebec enjoys in that unlike English Canada, which has relatively small regional pools, it possesses such great sources of provincially dedicated investment funds as the Desjardins Credit Union Group (assets of \$44 billion) and the Caisse de dépôt et placement du Québec (\$35 billion). "We now have the financial tools to consider a future without Canada," declared Claude Beland, the Desjardins chairman and one of the business community's outspoken nationalists.

That may be true, but at least two factors would hamper any march to independence. Even the most successful of the Quebec-based companies have been doing extraordinarily well without Canada. In addition, the Quebec-based firm, for example, acquired Canadian oil after Ottawa weakened Canada's outstanding \$1.2-billion debt deal. The Montreal firm was thus granted the 75-50 percent contract for immediate oil flow and

ended its paying Ottawa only \$126 million for all of Canada's considerable assets, including rights to the spectacularly successful Challenge magazine jet. Similarly, Montreal's Lavinc Inc. successfully competes for huge engineering jobs abroad, but its most recent Roughneck Skytrain contract required Ottawa to fork over \$1 billion in cash and interest-free loans.

Another, less obvious, weakness of Quebec's economy is the lack of much domestic oil and gas. The province keeps about a quarter of a million barrels of foreign oil plus 50,000 barrels of Alberta crude per day, which in total cost \$1.6 billion annually. Quebec also burns 1.66 billion cubic feet of Alberta natural gas a year, another \$400 million. Being independent would thus create a \$2.5-billion trade deficit—expected to rise to \$6 billion by the mid-1990s.

More seriously, an autonomous Quebec would have to negotiate energy deals with a separate Canada that might not be interested in dealing. "Sovereignty-association will be negotiated between equals," says Frank Dutoit, energy columnist for *The Financial Post*. "Once Quebec secedes, the standard level of this parliamentary democracy that has served Quebec's interests in Confederation will be gone. What remains of Canada may not be as the generous host Quebec expects, in terms of energy markets, the self-determination of Quebec is not [equivalent to] the result of the Gensie—it is the partition of Ireland."

Looking back on the failure of the Meech initiative, it is easy enough to blame either Brian Mulroney, who started the process, or Clyde Wells, who ended it. But the real culprit has to be Jean Trudon, who made the deal. It was Trudon who gave the green light to the 1986 referendum that Quebec would be granted a "renewed federalism," then patronized the Constitution without Quebec's consent or participation.

Worst, Trudon's 1982 Constitutional Act contained within it many of the poisons that eventually destroyed the Meech Lake agreement—the nonratification clause that would allow Robert Bourassa to sponsor his desperate language bill, the absence of meaningful recognition of aboriginal rights, the three-year deadline for a constitutional conference that proved both too long and too short to complete the 1994 negotiations and the notion of sovereignty on other terms that became such a toxic bomb as they to fashion the new accord.

Typical, but hardly helpful, was Trudon's suggestion that he let the Constitution "sleep for another 30 years." It was the height of hypocrisy for Trudon to attack Mulroney, who knew precisely how hard it was going to be, but intervened the moment of his conviction that the status quo was not a sustainable position.

Canada's political climate has never been more volatile. Only radically different solutions will maintain the consensus by which this country can survive its uncertain future.

Northern lights

According to a freshly illustrated feature in the August issue of *Playboy* magazine, new on overseas, "Canada means just one thing, women!" The article, entitled "Girls of Canada," is the first since 1960 to focus on Canadians. One of the 20 potentially clad beauties is Marlene Bertram, 21, co-owner of an Aps, Ont., tanning clinic and



Bertram: ethnic, artistic, classy

recently married to Toronto Maple Leafs forward David Meriw, also 21. About his wife's decision to pose nude, Meriw said: "I'm very good at her. It's good for her and her career." Stud Bertram: "I think *Playboy* is clean, artistic and classy. People only think you're sleazy if you act that way. It's the way you come across to people." She added, "If you respect yourself, then people will respect you."

Kicking up her heels

Movie star, writer, singer and dancer Shirley MacLaine will perform from July 10 to 15 in Toronto before she takes her one-woman show, titled *Don't Think I'm a Fool*, to Vancouver. Said MacLaine: "I've been away too long. I haven't

been in Canada for 12 years." She added: "My mother is from Wollville, Nova Scotia. We spent summers digging clams and watching moonshining—or at least they tried to teach me." MacLaine, 56, is starring in two movies for release this fall, *Postcards from the Edge* and *Working*

MacLaine: "away too long"



Heavy hitter

After signing contract with the Oakland Athletics last week, outfielder Jose Canseco became the highest-paid player in baseball. Although he averaged 116 games this season because of back and wrist injuries, and hit games last season, Canseco, 33, will receive \$27 million during the next five years. Canseco, the only player to have hit 40 home runs and strike 40 batters in the same year, said that the high salary "benefits not just myself, but the whole league."

Canseco: rich despite injuries

CHEATING IN THE NAME OF ART

Shooting began in Toronto last week on Al Waxman's latest directing project—the romantic thriller *White Light*. Waxman said that he is "very proud" of his largely Canadian cast. In Canada, called Waxman, "film budgets aren't very big. But we have a lot of talent and, anyway, directing movies is creative cheating." Waxman, 55, played on cbs' *Cagney & Lacey* from 1981 to 1988 and was the lead in the CBC's *King of Kensington*. But, said Waxman: "I prefer to direct. Though I'd never give up acting." He added, "I'm very lucky to do both."

Radical rocker

Punk poster boy Pop says that rock music should be rebellious. On his new album, *Drunk by Drunk*, he says, "Pussy rock 'n' roll is a crime." Pop says that the anatomy of rock is politicians and advertisers who are "trying to create music" to promote their products. But Pop, 43, insists that a brand of rock that is free to its radical roots still exists. Said Pop: "Some of it is still in the gutter, swirling around, getting dirty." His latest record contains a lot of foul language. But Pop defended it as a sign of protest. "When you hear something," he added, "it's because someone's angry."



Pop: 'roll in the gutter'



For the *Light*. But she says that her first love is dance and live performance. "Doing movies doesn't have the kick, the edge or the spontaneity of the stage," she said. Added MacLaine, whose show will take her to 12 North American cities: "I only go to places I care about. Besides, I have to go to Canada to play for all my relatives."

JUSTICE

A freedom crusade

A convicted murderer seeks a retrial

Witnesses at the trial said that, on a bitterly cold morning in late January, 1968, three teenagers drove into Saskatoon from Regina. David Milgaard, a 16-year-old high-school dropout and a 16-year-old hippie, was an hitchhiker. With him were friends Michael Nicks and Ronald Wilson, also 16 years old. They were looking for the house of a friend, Albert Cadman. The same morning, Gail Miller, a 20-year-old nursing assistant, was raped and strangled to death in the vicinity. Six months later, police charged Milgaard with the murder. In 1970, a Saskatoon jury found him guilty, and Chief Justice A. H. Binnie sentenced him to life in prison. But, for the past 21 years, Milgaard, who is currently serving his sentence at Stony Mountain Penitentiary near Winnipeg, has protested his innocence. Now, federal justice department officials are studying new evidence that, according to Milgaard's lawyers, may set him free.

The new evidence emerged as the result of a continuing investigation by Milgaard's mother, Joyce, and Winnipeg lawyer David Asper. Asper said that in 1968 he already had enough evidence to file federal affidavits for a new trial. Since then, Asper added, more new evidence has made the case for a new trial even stronger. For one thing, during the past months, Wilson and Cadman, who testified at the original trial, both made signed statements to Paul Henderson, a private detective working for Joyce Milgaard, in which they say that they were under police pressure when they testified against her son. Last week, Cadman told Henderson that, as a result of Saskatoon police pressure during their interrogation 21 years ago, he suffered an almost total mental collapse.

The John Howard Society of Manitoba, an organization dedicated to helping prisoners and to penal reform, is also supporting an investigation into the new evidence. Society officials set up a fund in May to encourage donations from the public to help cover some of the costs involved. Replied Winnipeg lawyer and society spokesman Jack King: "It's beyond the normal case where someone says, 'I didn't do it, I'm innocent,' but hasn't produced any evidence at all."

At Milgaard's trial, both Wilson and Cadman said that they saw blood on his clothes on the day of Miller's murder. As well, Wilson testified

involved. Replied Winnipeg lawyer and society spokesman Jack King: "It's beyond the normal case where someone says, 'I didn't do it, I'm innocent,' but hasn't produced any evidence at all."

At Milgaard's trial, both Wilson and Cadman said that they saw blood on his clothes on the day of Miller's murder. As well, Wilson testi-



Milgaard: protestations of innocence for the past 21 years

fied that Milgaard was in possession of a paring knife during the trip to Saskatoon. Two other witnesses, Craig Melnyk and George Lapachuk, testified that Milgaard re-enacted the crime a few months later in a room at the Park Lane Motel in Saskatoon. They said that Milgaard used a pillow to demonstrate how he had strangled Miller.

Asper, 31, made the first attempt to secure a new trial 18 months ago by asking the federal justice department to have an appeal court review the original trial, or order a new one. Asper, son of Winnipeg businessman and Globetrotter TV owner Israel Asper, said that evidence from the original trial showed that one witness had seen Milgaard in a different part of Saskatoon at the time of the killing. As well, Asper claimed that Melnyk's and Lapachuk's evidence at the original trial was false.

Asper also presented a statement made by Deborah Rich, a witness who said that she was in the motel room with Milgaard and his friends in May, 1968. He told Asper in a sworn affidavit in November, 1968, that some of them were watching a news film on television about the Miller murder when Melnyk turned to Milgaard and said, "You did it, didn't you?" He said, "No, I didn't."

Hall, who said that he had been in the room considered to be a strong drug that night, added that Milgaard "was pouring a pillow trying to fluff it up. I remember him saying, in response to Craig Melnyk, 'The pillow, right,' as a sarcastic or joking comment."

New evidence continued to surface this year. On June 4, Wilson admitted in a statement to the private investigator that he had lied at the trial. He was on parole after being sentenced to six months for fraud, when police first told him that he was a suspect in the Miller case. Wilson, who is now a sales representative for a tire company at the B.C. Interior, said that during questioning by police he had said: "I was 17 years old and very frightened because I felt the police were trying to pin the murder on me," he said in his statement. "Finally, I began to implicate Milgaard in the murder, telling police the things they wanted to hear."

But Wilson who said in his statement, "When we [Milgaard and Wilson] were alone together in Calgary, Milgaard told me he had hit a girl or got a girl at Saskatoon."

In the meantime, Asper said that Justice Minister Kim Campbell should now release his claim that a full pardon. Still, he said that he would not file for a chance to present the new evidence to an appeal court. Eugene Wilkins, a justice department lawyer handling Asper's application, said that he could not speculate on when a decision would be made. For David Milgaard, who has already spent more than half his life in prison, the decision cannot come too soon.

NORA UNDERWOOD with MELISSA ANDERSON in Winnipeg



Crisis: crashes, screaming brakes, revving engines and a remarkable plot

FILMS

Going nowhere fast

Tom Cruise spins his wheels in a new movie

DAYS OF THUNDER
Directed by Tony Scott

Tom Cruise leads us in two kinds of movies. The first, including the comedy *Rush* (1986) and the drama *Rain Man* (1988) and last year's *Born on the Fourth of July*, are quality features that put the actor's dramatic talent and winning looks to good use. Portions of the second sort, including *Top Gun* (1986) and *Cocktail* (1988), seem more anxious to have the heart-throb pump profits between serious films. Cruise's latest vehicle is of the latter variety. Neither funny nor dramatically provocative, *Days of Thunder* is mostly a loud movie. It's got revs, brakes, screams, crowds roar. But it is not a very good movie. With a remarkable plot and shoddily developed characters, it is all soaked up with nowhere to go.

The plot centers on the volatile relationship between Cole Trickle (Cruise), a down-and-out stock-car racer, and Harry Hogg (Robert Downey), a former crew chief who abandoned racing after his son was killed. Reluctant to return to the sport, Hogg is convinced by a fast-track promoter (Randy Quaid) to give Trickle a try. Apparently fearful by the young man's speed after a once-over inspection around the track, Hogg wants to be garage to build a stock car worthy of the guy younger. Despite his agonies of the fear points of racing and a refusal to take advice, Trickle was the cool almost as efficiently as he was won the confi-

dence of Hogg—and not as incredibly. In rapid succession, Trickle makes an enemy of fellow racer Ricky Barno (Michael Biehn) and a lover of his beautiful doctor (Australian Nicole Kidman). These relationships provide the movie with its few redemptive moments. In a scene following a race-track pileup, Trickle and Barno race their wheelchairs through the corridors of a hospital, unable to control their madly hurtling legs enough to ignore how badly the other has been hurt. Director Tony Scott and screenwriter Robert Towne have squandered such dramatic tension, however, in their determination to make the film into one big car chase. Even off the track, Trickle and Barno spend much of their time dueling behind the wheel. In one scene, the two characters rent cars to drive to a business dinner, only to senselessly smash them up on the way there.

Like the promoter who brings Trickle and Hogg together, the makers of *Days of Thunder* have misjudged the audience's stock-car racing to their desire to cash in on the sport—and on the box-office appeal of Cruise. At times, the movie comes close to revealing what drivers cars to risk their lives. In one of the few genuinely engaging scenes, Trickle's girlfriend asks why he chose the profession. "To know that I can control something that's out of control," he responds. But long before then, *Days of Thunder* has gone into a tailspin from which it never recovers.

VICTOR DRYER

Buddies in bad times

The devastation of AIDS reaches the big screen

LONGTIME COMPANION
Directed by Norman Krasna

What is surprising about *Longtime Companion* is that it took so long for such a movie to be made. With its gripping, mature plot, a film about the devastation of the disease during the past 30 years would seem to be a natural for the big screen. But, until now, only a few low-budget features have appeared. Several made-for-TV movies about AIDS have mostly avoided entirely homosexual, focusing instead on such celebrities as the late Rock Hudson or Ryan White, the hemophilic teenager who died last April. *Longtime Companion*, the first American film to feature homosexual friends and lovers coping with the profound changes that the virus has caused, has a few flaws, but an excellent cast and intelligent script may succeed in winning a mainstream audience.

Written by successful Broadway playwright Craig Lucas, the movie takes its title from the expression often used in churches to describe the surviving lover of a homosexual man. That phrase becomes increasingly relevant as the movie unfolds, highlighting one day every year from 1960 to 1989. The diary format serves as both a social history of the disease and an intimate portrait of how a group of men adjust to the fact that death from AIDS has become their longtime companion.

The movie opens at the first newspaper stories appear about a rare cancer afflicting only homosexuals. Quickly, it shows several scenes as they react with fear, caution and even anger. At first, it is a little difficult to tell the characters apart—they all seem impossibly good and handsome. But the two most affecting figures quickly emerge: Campbell Scott plays Wiley, an amiable, unattractive fitness instructor who gradually overcomes his revulsion for the friends who are dying of AIDS. And Bruce Davison is starring as David, the wealthy banker who secretly marries his lover, Sam, as he denounces from a witty scriptwriter into a blind, incontinent skeleton.

But cast the suffering, there is a heart: And as the deaths mount, so does the victims' refusal to back for better medical treatment and against politicians that deny them jobs, housing and insurance. While it suffers from sentimentalism—see how a rage or anger—*Longtime Companion* is right overboard.

DAVE TURBIDE



Turow's new book is about families—the magic circle where the law ends

BOOKS

Two-track mind

Lawyer Scott Turow writes another best-seller

In novels where each author is Ken Follet and Jeffrey Archer receive multimillion-dollar advances for their next novels, Scott Turow chose not to put himself under that kind of pressure. Despite the phenomenal popularity of his 1987 mystery, *Promised Land*, the 41-year-old Chicago lawyer and author refused to sign a contract that would commit him to deliver another potential blockbuster to his U.S. publisher, Farrar, Straus, Giroux (fsg), by any particular date. "I wanted to write the book I wanted to write without someone having a gun to my back," Turow told *Newsweek*. "You can't justify law and most definitely all that easily. Just wanted to be true to be the writer I want to be and not the writer five million readers—or when I was granted to be—want me to be."

Turow spent three years writing *The Runaway of Proof*, signing a contract with his only after he completed the book (Harper Collins is his Canadian publisher). His gamble has paid off. Two weeks after its release, the novel is already jumping several best-seller lists, including *Maclean's*. And while Turow's publishers refuse to disclose how much they paid for *The Runaway of Proof*, Warner Books has already put up \$3.4 million for paperback rights. Meanwhile, Turow has received \$1.2 million for the movie rights to his original best-seller, *Promised Land*. Opening on July 20, the film stars William Ford as Rusty Salchak, a public prosecutor accused of the murder of Carolyn Polhemus, a colleague with whom he was having a sexual relationship after

was having a sexual relationship after. Describing himself as a guilt-ridden and neurotic workaholic, Turow adds that success will not change his life. Married since 1971 to Annette Waskow, an actor and teacher, and the father of a boy and two girls, Turow lives in a four-bedroom house that he bought in the Chicago suburb of Wilmette in 1986. He and his family live much the same way as they did when his only income was his \$60,000-a-year salary as a public prosecutor—before *Promised Land* launched him to best-sellerdom. He is now a full-time partner in the Chicago law firm of Sonnenschein, Mack & Rosenthal, charging \$250 an hour for his services as a defense attorney.

His legal expertise is evident in his new novel. Set in a fictional county outside Chicago, *The Runaway of Proof* tells the story of his brilliant defense lawyer, Napoleon (Stanley Tucci), a stout, 56-year-old, Argentine-born Jew who returns home after a two-day business trip to find his wife of 31 years, Clara, dead at the front seat of their car. She is asphyxiated, an apparent suicide. Stern had been away on business just describing his brother-in-law David Harrell, described as a "callous, self-centered" nightmarer of a client. Harrell is a commodity futures dealer who is under a grand jury investigation. As the thriller plotted story unravels, Turow unfolds several fundamental issues: Did Stern do something to cause Clara's suicide? Why is the grand jury investigating Har-

and? What compromises must Stern, a principled man, make between his public duty and what is legally expedient? Most important, to whom a Stern ultimately loyally his family or the law?

Despite its legal setting, *The Runaway of Proof* is a wonderfully dense thriller—what Turow, going out of his law profession, calls the "magic circle where the law ends." Said the author: "As much as we want to govern our behavior by law, there are certain rules, gestures, indications that exist within the structure and dynamic of given families that seem to exist there almost unchangeable acrosses of their own."

The *Runaway of Proof* is more a compelling character study of Stern and his family than a *Promised Land*-style thriller. Still, it suffers from too many lengthy passages about legal procedure and economics features changes, which make the dialogue stilted and slow down the narrative.

When he has had the groundwork, however, Turow unveils a harrowing plot with twists and turns. Said Turow: "Mystery is a genre that demands and explains the question we all have about one another. But we don't leave each other's deepest secrets and that we may be able to learn them. They may even shock us when we find out what they are." Despite the suspense that he builds into his story, he never loses sight of Stern's moral dilemma—and it is that struggle that elevates *The Runaway of Proof* a notch above most current fiction.

DENNIS KUCHEROFF

Maclean's

BEST-SELLER LIST

- FICITION**
- 1 *The Runaway of Proof*, Turow (1)
 - 2 *Shogun*, Hilary (2)
 - 3 *Message From Home*, Reid (2)
 - 4 *The Strand*, Finkel (2)
 - 5 *An Inconvenient Woman*, Deane (1)
 - 6 *Shogun*, Hilary and A.L. Hobbs (1)
 - 7 *Sergeant*, Gaskin (2)
 - 8 *Sonnenschein*, Finkel (2)
 - 9 *One of Men*, Moore (2)
 - 10 *The Runaway of Proof*, Turow (1)
- NONFICITION**
- 1 *Towards a New Society*, edited by Annette and Turow (1)
 - 2 *Maclean's 2000*, Maclean's (1)
 - 3 *Barbarians at the Gate*, Stern and Hilary (2)
 - 4 *Further East*, C. W. Hinton (1)
 - 5 *Shogun*, Hilary and A.L. Hobbs (1)
 - 6 *The New York Times*, Stern (2)
 - 7 *Man of War*, Reid (2)
 - 8 *The Trouble with Canada*, Gaskin (1)
 - 9 *Parting with Illness*, Finkel (1)
 - 10 *Maclean's 2000*, Maclean's (1)

(1) Fiction list only

Compiled by Ross Bellone



The hazards of reporting the news

BY ALLAN FOTHERINGHAM

The joy of Italy, for a reporter forced by his most employers to report most of his summer here, is that there are in fact two Italys. There is the Italy of the south—sunny, passionate, more attuned to North Africa across the water, matching with Maflon blood riots and dark plots. The Italy of the north, prosperous, industrious, bustling, is linked to Europe's values. And never do these shall meet. It's the Italy of the north that has made the country the fifth industrial power in the world, well ahead of Canada, and where the Italy of the south (the Atlantic provinces of the north) miserably send their impoverished to work.

There are two more Italys. The nation is tenuously gaga over the 1990 World Cup—and a subsequent national nervous breakdown if the hosts do not manage to win it. (Italian self-esteem extends from the individual male to a state obsession with pride.) Soccer is the expression of the masses, but the country is fascinated with the opposite extreme—an aristocratic playground.

This would be the love affair with wealth and expensive cars. This is the true home of road racing, the country whose topography created the sports car. The billion-dollar industry that exists around the world today started in Italy, where every manufacturer feels its legitimacy, if not its several contradictions, is challenged by every driver in the next lane. It's as asphalt jungle out there.

The World Cup is not just vulgar, showcasing English kits (a product of Maggie Thatcher's scandalous) over its month-long summer. It is "Italia '90," a beautiful country's chance to show off its cultural breadth. Every single one of the 12 cities where the twenty-five have performed has mounted extensive displays of the country's effusive links with its past.

Cagliari, off on Sardinia, did *Fida* and it treasure, not to mention Franz Lehar's *The Merry Widow*. Naples had the Berlin Philharmonic and, as part of a month-long program, a ballet production of *Romeo and Juliet* in the acropolis at Paestum. Palermo, off in Ma-



barbiden Sicily, did Sophocles's *Electra*. Most interesting, in the most artistic center of all, Florence, is what has been mounted in the most prestigious site for art of all. The Forte Belvedere commands the highest point in one of the most beautiful cities in the world. The Renaissance edifice was reborn as an art gallery in 1972, opening with a much-praised Henry Moore exhibition.

Since then, it has been the site of a number of acclaimed shows, from the works of Donatello through Pop Art to Black African sculpture. For the World Cup? What else but the greatest of Italian beauties—Ferrari. Only in Italy could the most respected art gallery in town devote its space to a car. If soccer is the country's heart, the red cars of Ferrari are its soul.

San Ferran, acknowledged as one of the greatest Italian cities of the century, died two years ago. He made his red cars the expression of the country's passionate personality, just as the

British racing green is an extension of a more subdued sensuality. Stage glass cases re-enact his classic cars on the hill overlooking the town that attracted Elizabeth Barrett Browning and Byron and Mark Twain. Tishkovsky used to compose just down there, to the left. Silvered engine blocks, like sculptures, sit in the courtyard.

Just as Ferrari sponsored the grand for Italian car design, the Mille Miglia invented road racing. The celebrated race, before TV and three-foot-wide tires evolved into the billion-dollar, sponsor-dominated industry, was the No. 1 car event in the universe. From Florence in the north, then along the Adriatic, before cutting across to Rome and then back up through Siena, Florence and Bologna, it was the ultimate test of driving—1,000 of the old Roman miles.

It was cancelled in 1957 due to a "crash-out"—the death of three drivers, including the great De Portago, and 10 spectators. It has just been revived and now is restricted to cars at least 20 years old—a rally rather than a race. Prince Michael of Kent takes part, along with three other princes, two dukes and one count.

As the George Plimpton of Canadian journalism, it seems only appropriate that your beloved sport would be the most difficult part of the course, that being the crossing, winding assault on the Apennines between Florence and Bologna with vertiginous curves that defy the transmission and the compass. A white Alfa Romeo is selected as the stock, the only thing missing being the goggles, leather helmet and a Terry-Thomas moustache.

It is clear why spectators were wiped out, as witness the old photographs—no protective fences, no lay-bells, just excited villagers standing with babies in arms as the great cars whirled around the hairpin corners. Road racing meant racing past the pub door and the barn races, and the technology of the race eventually surpassed the ability of the course to handle them.

No probe though, for a closed Ferraio whose heavy metal on the road makes the protesting navigator dizzy as the drivers. There is a wailing to the depressing sight of thousands of English skulls staggering through the World Cup, their white helmets covered by the sea as their minds are battered with booms.

It is to race show it, get as a week while our step grows mountains, in client air and midday in the other Italian favorites spent where only the Walter Mitty of the world can dream—pretending that Enzo Ferrari is aboard rather than the nervous navigator, giving his advice on the line into the next perilous turn.



The way to be more healthy minded about the food you eat is to take a serious look at reducing your intake of fat and saturated fats as recommended by the Canadian Consensus Conference on Cholesterol

LIGHT HEARTED FOR THE HEALTHY MINDED.

Take Becel® Light* margarine. It has half the fat and calories of regular Becel. And like Becel margarine, it has 55% polyunsaturated fats and 25% saturated fats. A high proportion of polyunsaturated versus saturated fats is an important factor in maintaining good heart health. And Becel Light is the only light margarine in Canada that isn't hydrogenated.

Becel Light, a delicate, natural taste. For the healthy minded.



BECEL TAKES YOUR HEALTH TO HEART.

*Becel Light is suitable for calorie reduced diets.

Manufactured by Borden of Toronto, 1, 1000 St. Lawrence Ave. East, Toronto, Ontario M1S 1B7.

NORSTAR. SIMPLE TO GET YOUR HANDS ON. IMPOSSIBLE TO LET GO.

Whatever your business, Norstar from Northern Telecom is the telephone system for you. Combining sophistication with unmatched simplicity, Norstar's unique interactive display makes features such as speed-dial, call forwarding, paging, and internal messaging all easy to use. To accommodate growth and meet changing business needs, Norstar even lets you add lines and sets with extraordinary ease. So give yourself a competitive edge with Norstar. Once you get your hands on it, you'll never let it go. It's as easy as calling 1-800-NORTHERN.

norstar



nt northern
telecom

THE POWER OF NETWORKING

